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# **PERFORMANCE APPRAISAL' SYSTEM AND ITS IMPACT ON CAREER DEVELOPMENT : A CASE STUDY AT PT. SEMEN PADANG**

## **Bachelor Thesis**

**Submitted as a partial fulfillment of the requirement for an Undergraduate  
Degree In Management Department - Economics Faculty**



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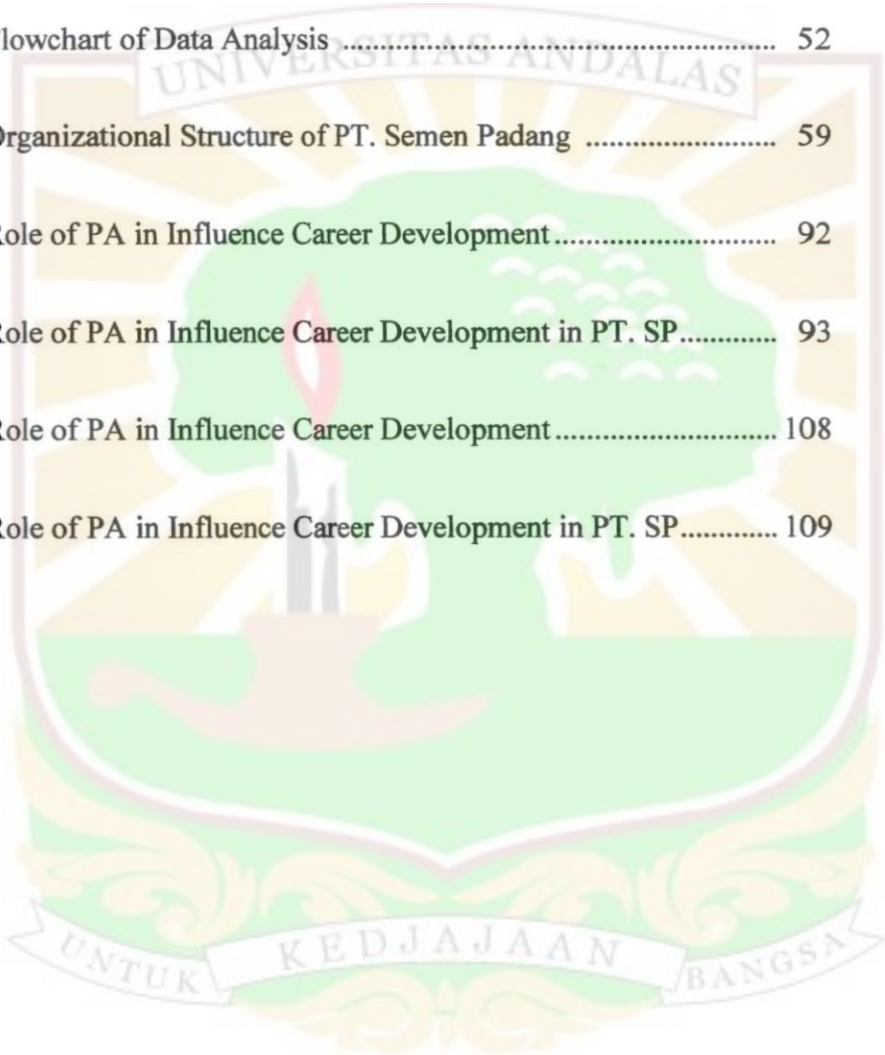
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## **CHAPTER I**

### **INTRODUCTION**

#### **1.1 Background to the Research**

In facing the challenges of business today, organizations need to know well about the concept of human resource management. As mentioned by Dessler (2003), human resource management is the policies and practices involved in carrying out the 'people' or human resource aspects of a management position, including recruiting, screening, training, rewarding, and appraising. Human resource management is one of the major parts within an organization that is as the part in managing 'people' who will work in these organization effectively and efficiently. By having good human resource an organization will have strength to facing the business challenge.

Daud (2006) has been found the importance of human resource management practices within an organizational. She found that an effective and competitive human resource is the key to the strengths of organizations in facing the challenges of business today. The importance of having a competitive human resource is commonly result the success of today's organizations. An efficient and effective human resource will produce good quality, productive individuals that will eventually minimize the problems that are related to human resource such as job dissatisfaction, absenteeism, or turnover of employees.

Performance appraisals are considered one of the most important human resources tools (Mani, 2002 cited from Corral, 2009). Performance appraisal has increasingly become part of a more strategic approach to integrating human resource

activities and business policies and tend to be used as a generic term covering a variety of activities through which organizations seek to assess employees and develop their competence, enhance performance and distribute rewards (Fletcher, 2001; cited from Dargham, 2008).

Corral (2009) noted that performance appraisal becoming a tool for rating and evaluating an employees' performance of work-related duties or responsibilities. In addition to that, Dessler (2003) has been explained, performance appraisal is provided to evaluate an employees' current and past performance. Specifically, organizations need to conduct well-designed performance appraisal system in order to meet with the goal setting of providing performance appraisal itself. Organization need to have clear system and procedure in providing performance appraisal to the employees.

A well-designed performance appraisal system gives useful information for organizations. As mentioned by Corral (2009) a good performance appraisal process might give information and feedback, it can increase employee development, enhance job understanding, improve communication, increase employee commitment, and identify more effective ways to work. By improving employees' performances, the organization's performance will improve.

Meanwhile, not only provide well-designed performance appraisal system, organizations need also to engage with a clear direction for the objective of conducting performance appraisal itself. Banks & Roberson (1985) stated that performance appraisal is reinterpreted as a test developmental task, and the appraiser is examined in terms of how well he/she can utilize rate information validity in



judging performance. According to Dessler (2009), performance appraisals should not just be about telling someone how he or she has done. They also provide an ideal opportunity for the supervisor and employee to discuss and link the latter's performance, career interests, and developmental needs into a coherent career plan. When a company has appraised employee's performance, it's usually necessary to address career-related issues and to communicate these issues to the subordinates.

Corral (2009) mentioned that performance appraisals that serve a developmental purpose are employee-oriented and significantly resulted as the development of the employee. Performance appraisals with a developmental purpose largely address feedback, assistance, and counseling to improve performance; feedback regarding relative and absolute strengths and weaknesses; and career planning and preparation (Dorfman, Stephan, & Loveland, 1986; Landy & Farr, 1983; Murphy & Cleveland, 1991, 1995; cited from Corral, 2009). Employees have encountered issues and expressed concerns with performance appraisals regardless of their developmental orientation.

Additionally, Erdogan, Kraimer, & Liden (2001) in Corral (2009) noted that during the last seven decades, organizations have been using various forms of performance appraisal systems and performance appraisals have been the source of much attention. Initially, organizations are going to conduct performance appraisal in order to assess their employees' performance and then take continuing action as the feedback of performance appraisal' result, where sometimes resulted in salary decisions, and promotional decisions.



Effective performance appraisal should also recognize the legitimate desire of employees for progress in their professions (Putti, Koontz, & Weihrich, 1998). One way to integrate organizational demands and individual needs is through career management, which can be a part of performance appraisal. Additionally, Latham and Wexley (1982); cited from Hansen (1984) has defined performance appraisal as any personnel decision which effects the status of employees' regarding retention, termination, promotion, demotion, transfer, and salary increase or decrease. Therefore there is a relationship between performance appraisal and career development.

As same as performance appraisal, career development becomes a part of human resource management. Gutteridge (1986); cited from Cheryl (1989) explained career development is just one component of human resource management in organizations which include control and evaluation, organizational design, and human resource planning. In addition to that, Leibowitz, *et al*, (1986) and Hal, *et al*, (2007); cited from Tan (2008) stated that career development involves an organized, formalized, planned effort to achieve a balance between an individual's career needs and the organization's workforce requirements.

Employers are motivated to establish career development programs because such programs are seen as an effective response to various personnel problems, because top managers prefer to promote existing employees and to ensure a good fit between the work and the worker, and because employees have expressed interest in career development as a benefit (Gutteridge, 1986; cited from Cheryl, 1989). According to Nadler & Nadler (1989); cited from Tan (2008) career development was once a

crucial part of the human resource management practice under life time employment practices to motivate employees for career enrichment as well as desired performance in the organization.

Moreover, Cheryl (1989) noted both external and internal factors of organization influence the need for career development. Among these factors, Slavenski and Buckner (1988) list the following: a) the need to identify and forecast personnel needs, b) social and demographic trends, c) the changing nature of work, d) changing type of job, e) equity and multicultural workforce, f) worker productivity, g) technological change and decreasing advancement opportunities, and h) organizational philosophies.

In addition to that, Tan (2008) explained career development is about the development of employees that is beneficial for both the individual and the organization. Effective career development programs enhance individual work performance by continuously learning and adapting, while the organization offers favorable developmental relationships with their employees. Dealing with the relationship between career development and performance appraisal, Nyaoga (2010) explained that for effective development and utilization of the human talent, performance appraisal plays a key role since it enables an organization to identify objectively the employee's strengths and weaknesses. The organization will then be able to counsel the employees to improve the weak areas.

Moreover, Baruch (1996); cited from Dargham (2008) noted performance appraisal systems are used for two main purpose: 1) to serve a variety of management functions such as decision-making about promotions, training needs, salaries, etc, and



2) to enhance developmental processes of employees or as an evaluation instrument. Organizational life involves a number of activities that may impact individuals' career development (Lee, Johnston, and Dougherty, 2000). Therefore, the relationship between performance appraisal and career development become a crucial part in human resource management practices for organization.

Performance appraisal might be applied by any organization in every level within organizations, also each organization concern to the career development for its employees. Organization need to know about its employees' performance through do an assessment in order to take some decisions toward its employees' performance, it can be for employees' career, placement, promotional or the degree how well its employees work. Furthermore, the process of assessing employees' performance will be useful for address career for related employees.

The practice of performance appraisal and career development' tool may different for each organization. Organization has its own procedure in dealing with performance appraisal and career development depends on organization itself. The size of organization or how many employees are employed may become one of indicator used by an organization in designing its human resource management' practices include both performance appraisal and career development.

PT. Semen Padang that becomes one of the large and oldest cement factories in Indonesia may has performance appraisal to evaluate its employees' performance and career development system. PT Semen Padang is the first cement plant to be located in Indarung in West Sumatra town Padang. Set up by a number of Dutch businessmen in 1910, this plant was originally named NV. Nederlands Indische Portland Cement



Maatschappij (NV. NIPCM). In 1972, the status of the company was changed into a limited liability company (PT) and the name into PT Semen Padang. This cement plant is wholly owned by the government. Currently, of the ten cement plants operating in Indonesia, PT Semen Padang is the second biggest cement plant after PT Indo-cement Tungal Prakarsa (PT ITP).

Organization' structure of PT. Semen Padang use linear and staff system which currently lead by four directors. Four directors, have subordinates to support the business activities at PT. Semen Padang which has more than 2,000 employees. Therefore, PT. Semen Padang may engaged with performance appraisal system and concern with career development of its employees. Moreover, with the company background like that it may drive this company to establish well performance appraisal system.

Related to that, this research tends to investigate how PT. Semen Padang conducts performance appraisals to its employees. Specifically, this study analyzes the impact of performance appraisal on career development at PT. Semen Padang through performance appraisal' experience of the employees in that's company.

## **1.2 Research Questions**

Based on the background of the study above, the researcher proposes the following research questions:

1. How does PT. Semen Padang conduct the performance appraisal for its employees?
2. How does the performance appraisal result improve on employees' career development?

These two research questions will be breakdown into several sub-questions in order to get a finding. Specifically, researcher seeks to utilize a phenomenological approach in interviewing a sample of participants to assess the performance appraisal processes they have experienced (Corral, 2009). Phenomenological approach, attempts to understand the meaning of events to ordinary people in particular situations (Bogdan & Bilken, 2003).

### **1.3 Purpose of the Research**

The purpose of this research is to investigate the impact of performance appraisal toward employee' career development and how PT. Semen Padang conducts its performance appraisal. Specifically, this research is intended to achieve the following objectives:

- a. To identify the mechanism of performance appraisal that applied by PT. Semen Padang.
- b. To identify career development tools at PT. Semen Padang.
- c. To identify employee perceptions about performance appraisal and its relationship to career development

### **1.4 Significant of the Research**

This research and its findings are considered important to provide a deeper and richer understanding of the performance appraisal experiences of employees at PT. Semen Padang in order to know system adopted by PT. Semen Padang in conduct performance appraisal and then find to what extent performance appraisal' result impacting career development of employees at PT. Semen Padang.

### 1.5 Scope of the Research

This research is a case study research. Researcher choose PT. Semen Padang as object of the research. So, this research is limited in the area of PT. Semen Padang.

In term of related variable that will be identified, this research is focus on performance appraisal and career development.

### 1.6 Contribution of the Research

Researcher expects the finding of this research will be useful for two important parts. First, the finding of this research is aimed to test the theories which explain the relationship between performance appraisal and career development. Moreover, the finding expected to strengthen the existing theories of both variables. Additionally, there are several theories which explain the relationship between both variables.

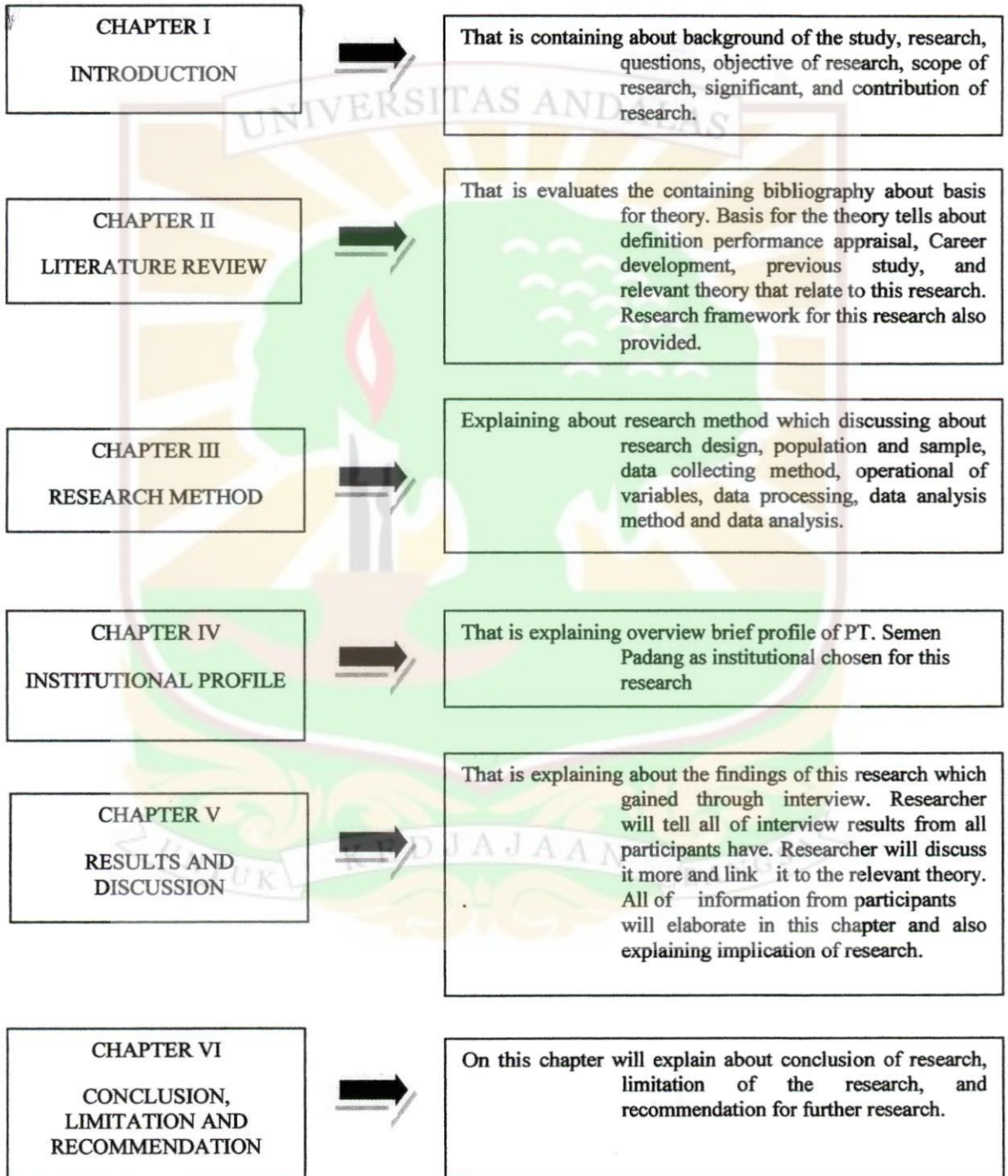
Second, the finding of this research will be useful for human resource department at PT. Semen Padang to review performance appraisal which conducted before. Additionally, researcher expects the finding will be a recommendation for human resource department at PT. Semen Padang to adopt another policy and system in order to improve human resource policy in term of conduct performance appraisal and finally will improve company' performance.





## 1.7 Outline of Research

In order to make it easier and make moderate the forwarding of content, this research is divided into six chapter, they are:



## **CHAPTER II**

### **LITERATURE REVIEW**

The purpose of this research is to identify performance appraisal' system at PT. Semen Padang and its impact on employees' career development. As a foundation for this research, this chapter presents a review of literature on a) performance appraisal, b) career development, c) review of previous study, and d) the research framework for this research.

#### **2.1 Performance Appraisal**

Performance appraisal of employee is important in managing human resource of an organization. Moon, *et al* (2007); cited from Yee and Chen (2009) explained performance appraisal of candidates in relation to a particular position is a key task towards managing the human resources of an organization. According to Robbins and Coulters (2002), managers need to know whether their employees are performing their jobs efficiently and effectively or whether there is need for improvement. Evaluating employee performance is a part of a performance management system, which is a process of establishing performance standards and appraising employee performance in order to arrive at objective human resource decisions as well as to provide documentation to support those decisions.

Several term have been used to describe the process of evaluating employee performance. Among those are like performance assessment, employee appraisal, and performance review (Samad, 2011). The term used in this research is performance

appraisal. The performance appraisal is a critical part of a performance management system.

As mentioned by Dessler (2003), performance appraisal means evaluating an employee's current or past performance relative to the person's performance standards. It is a process involves: (1) setting work standard; (2) assessing the employee's actual performance relative to these standards; and (3) providing feedback to the employee purposes to increase employees' motivation in doing their job well.

Dessler (2003) have been generated four reasons why appraise performance. First, appraisals provide information upon which manager make promotion and salary decisions. Second, provide an opportunity for managers and their subordinates to review their work related behavior. Third, the appraisal becomes a part of the firm's career-planning process, because performance appraisal involves a review of employees' work standard which will address related career-plans for employees. Finally, performance appraisal is conducting in order to help manager manage and improve firm's performance well.

McGregor (1987); cited from Kumar (2005), has been classified the objectives of performance appraisal who grouped as follows:

1. Administration: providing an orderly way of determining promotions, transfers and salary increases.



2. Informative: supplying data to management on the performance of subordinates and to the individual on his or her performance.
3. Motivational: creating a learning experience that motivates staff to develop themselves and improve their performance.

The explanations from several researchers cited from Ishaq, Iqbal & Zaheer (2009) has describe that; common outcomes of an effective performance appraisal process are employees' learning about themselves, employees' knowledge about how they are doing, employees' learning about 'what management values' (Beer, 1981). According to Stephan and Dorfman (1989) outcomes of effective performance appraisal are improvement in the accuracy of employee performance and establishing relationship between performance on tasks and a clear potential for reward. Dobbins, Cardy and Platz-Vieno (1990) told five outcomes i.e. use of evaluations as feedback to improve performance, reduced employee turnover, increased motivation, existence of feelings of equity among employees, linkage between performance and rewards. Nurse (2005) viewed provision of information for the development of managerial strategies for training and development as an outcome. Teratanavat, Raitano and Kleiner (2006) found outcomes like reduced employee stress, review of overall progress, linkage between current performance and employee's goals, and development of specific action plans for future.

#### **2.1.1 Approaches in Performance Appraisal**

The performance appraisal process contains three steps (Dessler, 2003): 1) define the job, 2) appraise performance, and 3) provide feedback. Define the job; making



sure that manager and subordinate agree on his or her duties and job standards. Appraising performance; comparing subordinate's actual performance to the standards that have been set, this usually involves some type of rating form. Performance appraisal usually requires one or more feedback sessions. Here the two of supervisor discuss the subordinate's performance and progress, and make plans for any development required. Feedback sessions become a critical steps in the performance appraisal process because it address further action for employees toward their performance, it may address to their career and increase of salary.

Additionally, Dessler (2003) stated that when appraisals fail, occur because of several reasons that parallel these three steps; define the job, appraise performance, and provide feedback. Some fail because subordinates don't know ahead of time exactly what supervisor expect in terms of good performance. Others fail because of problems with the forms or procedures used to actually appraise the performance: a lenient supervisor might rate as "high," for instance, subordinates who are actually substandard. Other problems, like arguing and poor communication, undermine the interview-feedback session.

In conducting performance appraisal, organizations engage with several method of performance appraisal. Samad (2011) stated that performance appraisal can be measured in various ways. Organizations will choose the best ways of performance appraisal practice appropriate with their organizations phenomena. Dessler (2003) have been explained several major performance appraisal methods as follow:



**a. Graphic rating scale method**

Graphic rating scale is method of performance appraisal which use a scale that list a number of traits and a range of performance for each. The employee is then rated by identifying the score that best describes his or her level of performance for each trait (Dessler, 2003).

Table 2.1 shows a graphic rating scale used in a manufacturing company (Dessler, 2008). In the table, a list of traits is evaluated by a five-point (or some other number of points) rating scale. The manager considers one employee at a time, circling the number that signifies how much of that trait the individual has. Graphic rating scales can provide a number of different points (a discrete scale).

Table 2.1.Example of a Graphic Rating Scale

	RATING				
Performance Dimension	Distinguished	Excellent	Commendable	Adequate	Poor
Knowledge	5	4	3	2	1
Communication	5	4	3	2	1
Judgment	5	4	3	2	1
Managerial skill	5	4	3	2	1
Quality performance	5	4	3	2	1
Teamwork	5	4	3	2	1
Interpersonal skills	5	4	3	2	1
Initiative	5	4	3	2	1
Creativity	5	4	3	2	1
Problem solving	5	4	3	2	1

Source: Dessler (2008)



## b. Alternation ranking method

This method ranking employees from best the worst on a particular trait, choosing highest, then lowest, until all are ranked (Dessler, 2003). Simple ranking requires managers to rank employees within their departments from highest performer to poorest performer (or best to worst). Alternation ranking, on the other hand, consists of a manager looking at a list of employees, deciding who is the best employee, and crossing that person's name off the list. From the remaining names, the manager decides who the worst employee is and crosses that name off the list-and so forth (Dessler, 2008).

## c. Forced distribution method

Dessler (2008) explained that the forced distribution method also uses a ranking format, but employees are ranked in groups. This technique requires the manager to put certain percentages of employees into predetermined categories as depicted in Table 2.2. That's table proposed Guidelines for Targeted Distribution of Performance Ratings Targeted Employee Rating Distribution, by Divisional Performance which can be seen as following:

Table 2.2.Example of Forced Distribution Method

PERFORMANCE RATING FOR DIVISIONS						
Performance Rating For Employees	Rating Type	Ex Exceptional	WD With Distinction	HS High Standard	RI Room For Improvement	NA Not Acceptable
TF Top 5%	Relative	8%	6%	5%	2%	1%
TQ Top quintile	Relative	20%	17%	15%	12%	10%
OU Outstanding	Absolute					
VG Very Good	Absolute	71%	75%	75%	78%	79%
GD Good	Absolute					
LF Lower 55	Relative					
NA Not acceptable	Absolute	1%	2%	5%	8%	10%
PR Progressing						Not Applicable

Source: Dessler (2008)

#### **d. Paired comparison method**

According to Dessler (2008) the paired comparison method requires managers to compare every employee with every other employee in the work group, giving an employee a score of 1 every time he or she is considered the higher performer. Once all the pairs have been compared, the manager computes the number of times each employee received the favorable decision (that is, counts up the points), and this becomes the employees' performance score.

#### **e. Critical incident method**

The critical incident approach requires managers to keep a record of specific examples of effective and ineffective performance on the part of each employee (Dessler, 2008).

#### **f. Behaviorally anchored rating scales**

An appraisal method that aims at combining the benefits of narrative critical incidents and qualified ratings by anchoring a qualified scale with specific narrative examples of good and poor performance (Dessler, 2003).

#### **g. Management by objectives (MBO)**

Dessler (2003 & 2008) mentioned that MBO involves setting specific measurable goals with each employee and then periodically reviewing the progress made. Management by objectives is popular in both private and public organizations.

#### **h. Assessment Center**

Assessment centers are usually used for selection and promotion decisions (Dessler, 2008). At an assessment center, individuals usually perform a number of simulated tasks, such as leaderless group discussions, in-basket management, and role playing. Assessors observe the individuals' behavior and evaluate their skill or potential as managers.

#### **i. 360-Degree Feedback of Performance Appraisal**

Dessler (2008) explained that a recent trend in performance appraisals for management development is the use of upward feedback and 360-degree feedback. Upward feedback refers to appraisal that involves collecting subordinates' evaluations of managers' behaviors or skills. The 360-degree feedback process is a special case of upward feedback. In 360-degree feedback systems, employees' behaviors or skills are evaluated not only by subordinates but by peers, customers, their bosses, and themselves. The raters complete a questionnaire asking them to rate the person on a number of different dimensions.

Table 2.3 shows an example of the type of skill and items used in a questionnaire designed for a 360-degree feedback system. In that table "Communicating information and ideas" is the dimension of the manager's behavior being evaluated. Each of the five items relates to specific aspects of written and oral communications (such as clarity of messages). Typically raters evaluate the degree to which each particular item is a strength or if development is needed.



The results of a 360-degree feedback system show how the manager was rated on each item. The results also show how self-evaluations differ from evaluations from the other raters. Typically managers review their results, seek clarification from the raters, and set specific development goals based on the strengths and weaknesses identified. Table 2.4 shows the type of activities involved in development planning using 360-degree feedback.

Table 2.3.Sample Dimension and Items from a 360-Degree Feedback Instrument

<b>Communicating information and ideas:</b>
Person makes points effectively to a resistant audience.
Person is skilled at public speaking.
Person has good writing skills.
Person writes understandable, easy-to-read memos

Source: Dessler (2008)

Table 2.4.Activities in Development Planning

<p><b>1. Understand strengths and weaknesses:</b> Review ratings for strengths and weaknesses. Identify skills or behaviors where self and others' (manager, peer, and customer) ratings agree and disagree.</p>
<p><b>2. Indentify development goal:</b> Choose a skill or behavior to develop. Set a clear, specific goal with a specified outcome.</p>
<p><b>3. Identify a process for recognizing goal accomplishment.</b></p>
<p><b>4. Identify strategies for reaching the development goal:</b> Establish strategies such as reading, job experiences, courses, and relationships. Establish strategies for receiving feedback on progress. Establish strategies for reinforcing the new skill or behavior.</p>

Source: Dessler (2008)

### Advantages and Disadvantages of Performance Appraisal Methods

Table 2.5.Advantages and Disadvantages of Performance Appraisal Methods

Method	Advantage	Disadvantage
Critical incidents	Rich example; behaviorally based	Time-consuming; lack quantification
Graphic rating scales	Provide quantitative data; less time consuming than others	Do not provide depth of job behavior assessed
BARS	Focus on specific and measurable job behaviors	Time-consuming; difficult to develop
Multi-person comparisons	Compares employees with one another	Unwieldy with large number of employees
MBO	Focuses on end goals; results oriented	Time-consuming
360-degree feedback	Thorough	Time-consuming

Source: Dessler (2008)

Regarding with several methods above, most organizations combine several methods in order to provide performance appraisal (Dessler, 2003). Meanwhile, Milkovich and Newman (2010); cited from Samad (2011) mentioned that ranking and rating are become the most methods used in appraising employees' performance. Porter and Lawler (1968); cited from Samad (2011) explained that the usual method of measuring performance appraisal in most studies has been to obtain the supervisors rating on selected criteria such as quality and productivity. In addition to that Fletcher and Williams (1996); cited from Samad (2011) also stated the most indicator used in appraised employee that are quality and quantity, output creativity and other criteria.

#### **2.1.2 Performance Feedback**

Dessler (2001) explained once the expected performance has been defined and employees' performances have been measured, it is necessary to feed that performance information back to the employees so they can correct any deficiencies. It is necessary for manager providing feedback after assess the performance of employees in order to take further action. The essence of an performance feedback commonly address to the career of employees.

In addition to that, Dargham (2008) noted providing employee with feedback is widely recognized as a crucial activity. Such feedback may encourage and enable self-development, and thus will be instrumental for the organization as a whole (Baruch, 1996; cited from Dargham, 2008).



By providing employees with accurate feedback, the company makes employees aware of areas that need additional focus in the eyes of the organization and areas where the company thinks employees excels (Bhagwat, 2006). This information allows employees to learn from their managers and ultimately from the organization how they are doing. The feedback not only opens up communication on cumulatively identified goals and job expectations, but also communication about where employees stand in relation to job performance and what to do to improve job skills, thus facilitating employee development.

### **The Manager's Role in an Effective Performance Feedback Process**

Effective managers provide specific performance feedback to employees in a way that elicits positive behavioral responses, to provide effective performance feedback managers should consider the following recommendations (Dessler, 2011):

#### **a. Feedback Should Be Given Frequently, Not Once a Year**

There are two reasons for this. First, managers have a responsibility to correct performance deficiencies immediately on becoming aware of them. If performance is subpar in January, waiting until December to appraise the performance could mean an 11-month productivity loss. Second, a major determinant of the effectiveness of a feedback session is the degree to which the subordinate is not surprised by the evaluation.

#### **b. Create the Right Context for the Discussion**

Managers should choose a neutral location for the feedback session. Managers should describe the meeting as an opportunity to discuss the role of the employee, the role of the manager, and the relationship between them.



**c. Ask the Employee to Rate His or Her Performance before the Session**

Having employees complete a self-assessment before the feedback session can be very productive. It requires employees to think about their performance over the past rating period, and it encourages them to think about their weaknesses.

**d. Encourage the Subordinate to Participate in the Session**

Managers can take one of three approaches in performance feedback sessions. In the “tell-and-sell” approach, managers tell the employees how they have rated them and then justify these ratings. In the “tell-and-listen” approach, managers tell employees how they have rated them and then let the employees explain their side of the story. In the “problem-solving” approach, manager and employee work together to solve performance problems in an atmosphere of respect and encouragement.

**e. Recognize Effective Performance through Praise**

One usually thinks of performance feedback session as focusing on the employee’s performance problems. The purpose of the session is to give accurate performance feedback, which entails recognizing effective performance provides reinforcement for that behavior.

**f. Focus on Solving Problems**

A common mistake managers make in providing performance feedback is to try to use the session as a chance to punish poorly performing employees by telling them how utterly lousy their performance is. This only reduces the employees’ self-esteem and increases defensiveness, neither of which will improve performance.

**g. Focus Feedback on Behavior or Results, Not on the Person**

One of the most important things to do when giving negative feedback is to avoid questioning the employee's worth as a person. This is best accomplished by focusing the discussion on the employee's behaviors or results, not on the employee.

**h. Minimize Criticisms**

Obviously, if an individual's performance is below standard, some criticisms must take place. Having been confronted with the performance problem, an employee often agrees that a change is in order. However, if the manager continues to come up with more and more examples of low performance, the employee may get defensive.

**i. Agree to Specific Goals and Set a Date to Review Progress**

The importance of goal setting cannot be overemphasized. It is one of the most effective motivators of performance. Research has demonstrated that it results in increased satisfaction, motivation to improve, and performance improvement. Besides setting goals, the manager must also set a specific follow-up date to review the employee's performance toward the goal. This provides an added incentive for the employee to take the goal seriously and work toward achieving it.

**2.1.3 Who Should Do the Appraising?**

In conducting performance appraisal, organization need to address this task to the right person in order to established well performance appraisal. Bhagwat (2006) explained in the performance appraisal design process, the question of who will assess performance should be answered.

Dessler (2008) stated that traditionally, the person's direct supervisor appraises his or her performance and also mentioned other options are certainly available and



are increasingly used. In addition to that, Dessler (2008) address the following parties who may do the appraising:

**a. The Immediate Supervisor**

Supervisors' ratings are the heart of most appraisals. This makes sense: The supervisor should be and usually is in the best position to observe and evaluate the subordinate's performance, and is responsible for that person's performance.

**b. Peer Appraisals**

With more firms using self-managing teams, peer or team appraisals the appraisal of an employee by his or her peers are becoming more popular. For example an employee chooses an appraisal chairperson each year. That person then selects on supervisor and three other peers to evaluate the employee's work.

**c. Rating Committees**

Many employers use rating committees. These committees usually contain the employee's immediate supervisor and three or four other supervisor. Using multiple raters can be beneficial in order to get reasonable and fair result.

**d. Self-Ratings**

The employees usually rate themselves higher than they are rated by supervisors or peers. One study concludes that individuals do not necessarily always have such positive illusions about their own performances, although in rating the performance of their group, group members did consistently give the group unrealistically high performance ratings.



#### **e. Appraisal by Subordinates**

More firms today let subordinates anonymously rate their supervisor's performance, a process some call *upward feedback*. The process helps top managers diagnose management styles, identify potential "people" problems, and take corrective action with individual managers as required. Subordinate ratings are especially valuable when used for developmental rather than evaluative purposes.

Regarding to that, Bhagwat (2006) mentioned there is common approach used by organization in deciding who will assess employees' performance that is top-down approach. In top-down approach, only the direct manager rates an employee's performance, sometimes in this approach direct manager may discuss appraisal results with their supervisors to make sure the performance appraisal results are acceptable. In addition to that, top-down approach is multi-rater techniques. Multi-rater techniques means that more than one person is involved in rating performance (Bhagwat, 2006).

#### **2.1.4 Performance Appraisal Design**

Bhagwat (2006) explained that one the decision to utilize a system is made; some of the initial steps for developing a performance appraisal are to decide who will be involved with the design process, the development timeline, the goal of the system, and who will be responsible for the continued evolution of the system.

In addition to that, Mohrman et al. (1989); cited from Bhagwat (2006) recommend determining a design process that should include establishing the following components: a) roles and responsibilities, b) goals and objectives, c)

concerns, d) timelines, e) deadlines, f) procedural ground rules, g) conflict resolution, h) method of critiquing the process, and i) communication guidelines.

The performance appraisal design team should develop and agree to a design process before going any further. Boice and Kleiner (1997) explained briefly that employee review should be performed on a frequent and ongoing basis. As well as the design of performance appraisal, conducted appropriate performance appraisal schedule is important. According to Yee and Chen (2009), performance appraisal is usually conducted periodically within an organization to examine and discuss work performance of subordinate so as to identify the strengths and weaknesses as well as opportunities for improvement among employees.

Similarly, Bhagwat (2006) noted the performance appraisal design should decide on the performance appraisal schedule. How often will performance appraisals be given: annually, biannually or quarterly. The actual time period may vary in different organizations and with different aims but a typical frequency would be bi-monthly or quarterly. By conducting reviews frequently two situations are eliminated; a) elective memory by the supervisor or the employee, and b) surprises at an annual review.

In the addition to that Boice and Kleiner (1997) stated that people generally tend to remember what happened within the last month or high profile situations (good or bad). Frequent reviews help eliminate the effects of that assumption. Eliminating surprises in the appraisal process is also important. Both the supervisor and employee need to know that there is a performance problem prior to any major annual review. The longer a problem is allowed to continue, the more difficult it is to take corrective action. Frequent performance appraisals should eliminate the surprise element and



help to modify performance prior to any annual review. Frequent reviews give supervisors more opportunity to assure that progress is being made in developmental objectives (Sahl, 1990; cited from Boice and Kleiner, 1997). Moreover Bhagwat (2006) stated that the organization' size, structure, nature of the business, and cultural style will play a part in the scheduling choice.

### **2.1.5 The Importance of Performance Appraisal**

As well as a crucial part in human resource management practice, performance appraisal has some specific benefit for organization. Sandler and Keefe (2004) mentioned some very specific organizational needs that are fulfilled by a properly conducted employees' evaluation: a) to lay the groundwork for a promotion or salary increase for a star employee, b) to attempt to motivate a less-than-stellar performer who has the potential for greater achievement, c) to lay the groundwork for the dismissal of an uncooperative, incapable, or otherwise unacceptable worker, and d) to help a company or agency conduct an inventory of its personnel, in search of ways to improve productivity, reduce redundancy, and find available workers for new assignments.

Moreover, Sandler and Keefe (2004) noted that the best reason for an elaborate and careful process for employee evaluations is that it is the right thing to do, guaranteeing everyone a fair deal. Ferris, *et al*, (2008); cited from Parizek (2010) stated performance appraisal is one of the most central human resource practice. In practice, performance appraisal involves activities such as collecting information on employee work outputs, holding interviews seeking to determine employee strengths



and weaknesses, or determining the quality of various aspects of an employees' work (Parizek, 2010).

Bhagwat (2006) mentioned some of the uses of performance appraisal systems include: (a) worker selection and placement, (b) facilitating the development of employees, (c) training, (d) career management, (e) distribution of rewards and salary, (f) performance feedback, and (g) the communication of performance expectations. Moreover, Bhagwat (2006) explained another important role of a performance appraisal system is that it offers employees the opportunity to clearly understand their roles within the organization.

Hansen (1984) addressed there have been two prevalent purposes to performance appraisal. The first purpose has been the traditional purpose that has also been known as the organizational or overall approach. The traditional purpose has been primarily concerned with the overall organization and has been involved with pat performance. The second purpose to performance appraisal has been the developmental purpose. This purpose viewed the employees as individuals and has been forward looking through the use of goal setting. The following table shows both traditional and developmental purposes of performance appraisal:

Table 2.6.Traditional and Developmental Purposes of Performance Appraisal

Traditional Purpose	Developmental Purpose
Promotion, separation, and transfer decision	Provided employees the opportunity to formally indicate the direction and level of the employee’s ambition.
Feedback prior the employee regarding how the organization viewed the employees’ performance.	Show organizational interest in employee development, which was cited to help the enterprise retain ambitious, capable employees instead of losing the employees to competitors.
Evaluations of relative contributions made by individuals and entire departments in achieving higher level organizational goals.	Provided a structure for communications between employees and management to clarify expectations of the employee by management and the employee.
Criteria for evaluating the effectiveness of selection and placement decisions, including the relevance of the information used in the decisions within the organization.	Provide satisfaction and encouragement to the employee who has been trying to perform well.
Reward decisions, including merit increases, promotions, and other rewards.	
Ascertaining and diagnosing training and development decisions.	
Criteria for evaluation the success of training a development decisions.	
Information upon which work-scheduling plans, budgeting, and human resource planning can be used.	

Source: Hansen (1984)

2.2 Career Management

The practice of career management is relatively become a crucial tool in organizations. Therefore, in order to establish broad guidelines within an organization, a thorough understanding of the term career management is essential. Career management defined as the process that plans and shapes the progression of individuals within an organization in accordance with organizational needs and objectives (report on management in the public service).



According to Baron and Greenberg (1990, p.320); cited from report on management in the public service, a typical career management program, as part of larger HR systems which involves efforts to:

1. Help employees to assess their own career strengths and weaknesses.
2. Set priorities and specific career goals.
3. Provide information on various career paths and alternatives within the organizations.
4. Offer employee yearly reviews of their progress towards these goals by managers who have received training in conducting such assessments.

All HRM are designed with specific goals. Performance appraisal instruments, for example, are designed in order to assess employees' performance and address development needs for that's employees. As noted in report on career management in the public service, career management encompasses a large number of HRM practices with the following objectives:

**a. Assisting employees to improve their performance**

Career management drives employees to evaluate their strengths and weaknesses. Organization assists employees to doing it through providing training needs and opportunities as part of career management process. Usually, these process conducting as the feedback of performance assessment result (report on management in the public service).

**b. Clarifying available career options**

Employees are informed of career options available within the organizations through career management programs. In this career management programs,



employees assist to identify their qualities required for current and future jobs. In doing this, career paths are developed that indicate the mobility in different directions in the organizations for employees (report on management in the public service).

**c. Aligning the aspiration of employees with organizational objectives**

An assessment of the skills and competencies of employees could assist in accommodating them in positions which suit them better (report on management in the public service).

**2.2.1 Elements in Career Management**

A literature study was observed that there are various and quite diverse approaches to career management. Report on management in the public service already mentioned the common elements of career management programs. The following table show briefly elements in career management:

Table 2.7.Elements in Career Management

Elements in Career Management	Function of each element
Career Planning	Identification of goals
Career Path	Identify route to attain goals
Career Development	Continues process.

Source: Report on management in the public service

**a. Career Planning**

Career planning is a process undertaken by employees and their supervisors (report on management in the public service). Milkovich and Glueck (1985, p.424); cited from report on management in the public service explained career planning become a part of self assessment where employees analyses their skills and experience as well as their strengths and weaknesses.

Meanwhile career planning can be generated as traditional views and modern views. Traditional views advocate that career planning has essential nature where organizations take a primitive and dominant role in developing employees (Nadler & Nadler, 1989; Gutteridge, Leibowitz, & Shore, 1999; cited from Tan, 2008). Meanwhile, Arthur, Inkson, & Pringle (1999); Baruch (2003); cited from Tan (2008) explained the modern views of career planning as a career management elements where the employees become more progressive in taking major role in managing their own career.

In addition to that, Arthur et al., (1999); cited from Tan (2008) noted the emphasis of new career success is placed on individual responsibility. Therefore, individual has big role in design and plan their own career where the organizations become facilitator which support that's actions.

#### **b. Career Path**

Based on the career expectations identified in the process of career planning possible career paths are mapped out for employees. A career path defines as a form of work-related experiences, which runs through someone's life, so it is necessary for managers to understand the process of career development (Mursi, 2000). The existence of long-term program planning and development of career paths for workers help to achieve organizational effectiveness in human resources management.

According to report on career management in the public service, career paths set out a sequence of posts to which employees can be promoted, transferred and rotated. For the indication in organization practice, commonly each employee could have a



multitude of career pathing options. In addition to that, career pathing is informed by the career goals set by individuals during the career planning phase.

Meanwhile, Kanter (1977); Valcour et al., (2007); cited from Valcour and Ladge (2008) noted there are three characteristics of career path which become powerful norms in the traditional career. These characteristics are continuity of employment, movement within the organization, and long hours. The logic of the traditional career suggests that each of these three career path characteristics is negatively associated with objective career success and affects subjective career success through its association with objective career success (Valcour and Ladge, 2008).

According to Valcour and Ladge (2008), traditional career is characterized by linearity and path dependency. Employees move in a single direction through a predictable set of career stages and along an orderly career ladder, and early successes or failures have lasting effects on the unfolding career (Rosenbaum, 1984; cited from Valcour and Ladge (2008)).

Additionally, Valcour and Ladge (2008) noted that some employees' career paths do not follow the normative pattern. It may impact by the career path' pattern followed in the related organization. Much employees in the organization more likely to take career break, to move between organizations, and to reduce work hours (Bianchi, Robinson, and Milkie, 2006; Mainiero and Sullivan, 2006; Meiksins and Whalley, 2002; Olson and Frieze, 1989; cited from Valcour and Ladge, 2008). Therefore, the practice in the organizations commonly tends to break the relevant theory and take a procedure that they think match and meeting their employees and



organization' needs, even in deciding the use of related procedure they still look for related theory.

Mursi (2000) mentioned several steps will help any individual to plan career paths, these are: 1) foresight of future expectations: the individual must ask himself, "what is the nature of work or hope for the future?" Relate to that, individuals will do some efforts in order to achieve their expectation toward their career in the future, 2) identify the current capabilities and skills: individuals need also to identify, "what are the possibilities, capabilities and skills currently available to them?" Through that question, individuals will come to identification of job skills and any other capabilities and skills relevant to the achievement current expectations of future, and 3) address the difference and know the solutions: it is important for individual to know what their weaknesses are which makes them different with others who can rich their career success. It will drive individuals to find the appropriate solution of that and then come to the well design of their future career.

### **c. Career Development**

Nowadays, career development is increasingly regarded as the shared responsibility of employee and employer. Table 2.8 shows the shifting of HR activity from traditional focus to career development focus which describe how career development become a crucial one in organization' today in every aspect of HR practice. Employers are motivated to establish career development programs because such programs are seen as an effective response to various personnel problems, because top managers prefer to promote existing employees and to ensure a good fit between the work and the worker, and also because employees have expressed

interest in career development as a benefit (Gutteridge, 1986; cited from Cheryl, 1989).

Hansen (1984) explained that, it is important to give employees sufficient information on career development plans at the corporate level, which describes the career paths available or professional organization which represents the opportunities of the promotion.

Table 2.8.Traditional versus Career Development Focus

HR Activity	Traditional Focus	Career Development Focus
HR planning	Analyzes jobs, skills, tasks-present future. Projects needs. Uses statistical data.	Adds information about individual interest, preference, and the like to replacement plans.
Recruiting and placement	Matching organization's needs with qualified individuals.	Matches individual and jobs based on variables including employees' career interest and aptitudes.
Training and development	Provides opportunities for learning skills, information, and attitudes related to job.	Provide career path information. Adds individual development plans.
Performance appraisal	Rating and/or rewards.	Add development plans and individual goal setting.
Compensation and benefit	Reward for time, productivity, and talent, so on.	Adds tuition reimbursement plans, compensation for no-job-related activities such as United way.

Source: Dessler (2003)

Gutteridge (1986, p. 52); cited from Cheryl (1989) mentioned career development refers to the outcomes of actions on career plans as viewed from both individual and organizational perspectives that become one component of HRM in organizations which include control and evaluation, organizational design, HR planning. In addition to that, Gutteridge et al (1993, p. 1); cited from report on career management in the public service explained career development from the perspective



of an employer refers to a planned effort to link the individuals' career needs with the employers' workforce requirements. It can be seen as a process for helping individuals plan their careers in concert with an organization's business requirements and strategic decision.

Confirming with explanation above, Leibowitz, Farren and Kaye (1986); Lips-Wiersma and Hall (2007); cited from Tan (2008) stated that career development involves an organized, formalized, planned effort to achieve a balance between and individual's career needs and the organization's workforce requirements. Therefore, career development is about both employers' and employees' role in organizations in managing well individual's career needs. Both external and internal factors influence the need for career development (Cheryl, 1989).

### **2.2.2 Component of Career Development Program**

As well as career development is become crucial one in organization it is become so important for organization engaged with well career development process. Slavenski and Buckner (1988); cited from Cheryl (1989) divide the career development process into three major phases. It is involves staffing and orientation, evaluation, and development. Each of these phases is composed of strategies from which the employer may choose to create a customized career development system.

#### **a. Staffing and Orientation Phase**

This phase is composed of providing career information to the job candidate (whether internal and external) and using selection techniques to match potential workers with right job (Cheryl, 1989). Selection techniques that are used to match



employee and employment opportunity include assessment center exercises and job posting systems even for positions that are to be filled internally.

#### **b. Evaluating Phases**

Cheryl (1989) mentioned there are two keys tasks in this phase. These are performance review and succession planning. The purpose of performance review, from career development perspective is to provide feedback to employees on their skills and knowledge, both to increase job satisfaction and to help them prepare for their next job. Succession planning, at the initiative of the employer, links information from and about individual employees to the human resource needs of the organization.

#### **c. Development Phase**

In this phase, more visible career development strategies are employed. Cheryl (1989) noted that tools used during this phase include career discussions between employee and supervisor, career resource centers, self-assessment and career counseling, and career planning workshop.

Career discussion between employee and supervisor are form integral part of any career development system. It is necessary for supervisors to get training related to their role in career discussion. Career resource centers have been found to be effective if they support a larger career development system. According to Slavenski and Buckner (1988); cited from Cheryl (1989), employees view career resource centers as a concrete symbol of company support of career development and openness of information.

**Management Cycle**

Management cycle play an important role for conducting well career development programs within organizations. The management cycles provides a framework for career development practice (Cheryl, 1989).

Cheryl (1989) addressed some steps of management cycle with appropriate career development tasks, these are; hire or promoted → orient or communicate → observe performance → manage performance → develop employee → make personnel selection decisions

Slavenski and Buckner (1988); cited from Cheryl (1989) explained each of the steps of management cycle corresponds to career development strategies that help both manager and employee maximize career growth.

**2.2.3 Individual, Manager, and Organization’ Role in Career Development**

Table 2.9.Roles in Career Development

Individual	Manager	Organization
Accept responsibility for your own career.	Provide timely and accurate performance feedback.	Communicate mission, policies, and procedures.
Assess your interests, skills, and values.	Provide developmental assignments and support.	Provide training and development opportunities including workshop.
Seek out career information and resource.	Participate in career development discussions with subordinates.	Provide career information and career program.
Establish goals and career plans.	Support employee development plans.	Offers a variety of career paths.
Utilize development opportunities.		Provide career oriented performance feedback.
Talk with your manager about your career.		Provide mentoring opportunities to support growth and self-direction.
Follow through on realistic career plans.		Provide employees with individual development plans.
		Provide academic learning assistance programs.

Source: Dessler (2003)



Table 2.9 above shows how each party in organization (employee/individual, supervisor/manager, and organization) play important role in determining career development of the employees (Dessler 2003).

2.3 Approaches to Employee Development

Dessler (2008) noted that there are four approaches are used to develop employees: assessment, formal education, job experiences, and interpersonal relationships. Many companies use a combination of these approaches. In addition to that Dessler stated that as part of the appraisal process employees are asked to complete individual development plans outlining (1) how they plan to change their weaknesses and (2) their future plans (including positions or locations desired and education or experience needed). The following table shows four employees development' approaches addressed by Dessler:

Table 2.10.Approaches to Employee Development

Employee Development' Approaches	Description
Assessment	Assessment involves collecting information and providing feedback to employees about their behavior, communication style, or skills.
Formal Education	Formal education programs include off-site and on-site programs designed specifically for the company's employees, short courses offered by consultants or universities, executive MBA programs, and university programs in which participants actually live at the university while taking classes.
Job Experience	Job experiences involve relationships, problems, demands, tasks, or other features that employees face in their jobs. A major assumption of using job experiences for employee development is that development is most likely to occur when there is a mismatch between the employee's skills and past experiences and the skills required for the job.
Interpersonal Relationship	Mentoring and coaching are two types of interpersonal relationships that are used to develop employees. A mentor is an experienced, productive senior employee who helps develop a less experienced employee (the protégé).most mentoring relationships develop informally as a result of interests or values shared by the mentor and protégé. A coach is a peer or manager who works with an employee to motivate him, help him develop skills, and provide reinforcement and feedback.

Source: Dessler (2008)



## **2.4 Review of Previous Study**

### **Performance Appraisal and Career Development**

Hansen (1984) addressed three original research questions for examined his study. One of research question raised has been whether the use of performance appraisal being used for developmental purposes made employee more effective, thus making the organization more efficient. Hansen proposed this study in order to examine whether the concept of using performance appraisals as a means of employee development.

Hansen (1984) determined that the performance appraisal has not met the criteria of the developmental performance appraisal. Hansen also noted that the main reason for the appraisals failure to be considered developmental has been that the appraisal has been predominately concerned with the past performance of the employee with no provision for the employee to state future career expectation.

Argued with that, the relationship between performance appraisal and career development also examined by Bhagwat (2006), the hypothesis of this study primarily ask question about how the internal creation and implementation of a performance appraisal system will affect employee beliefs and attitudes about skills utilization and career advancement within organization, as well about performance appraisal usefulness for performance improvement, and career management.

Bhagwat found that the new appraisal system would result in a general upward trend in employees' assessment of the new performance appraisal contribution to their career management and performance improvement.

Additionally, Corral (2009) have been developed a research with the purpose was to explore the performance appraisal experience of 14 mid-level women in student affairs administration at four-year colleges and universities in Northern Illinois using a qualitative research approach involving personal interviews. Results of this study inform those who administer performance appraisals for mid-level, administrators in student affairs and reinforce the value of this resource to the career development and advancement of these administrators. The analysis of these study reveals five major conclusions which shows in the following table:

Table 2.11.The Findings of Corral’ Study

Indicators Used	Finding
Stated purposes for performance appraisal	Not clear or well-known
Value of performance appraisal	Focused on professional development and advancement, and supervisors provide constructive feedback
Appraisal process	When the appraisal process is more structured and formalized, women have the opportunity to have meaningful dialogue with their supervisor including discussion that addresses their career development and advancement
Relationship between performance appraisal and career development	Career development and advancement are linked to the formality of the appraisal process and the relationship these women have with their supervisor
Recommendations for improving the performance appraisal process	Institutions and supervisors should be more cognizant of the timing of appraisals and making the process ongoing, ensuring that the appraisal process is future-oriented and focused on professional development, providing training for supervisors and subordinates engaged in the appraisal process, and creating an appraisal document that is specific to a department or individual's job responsibilities.

Source: Corral (2009)

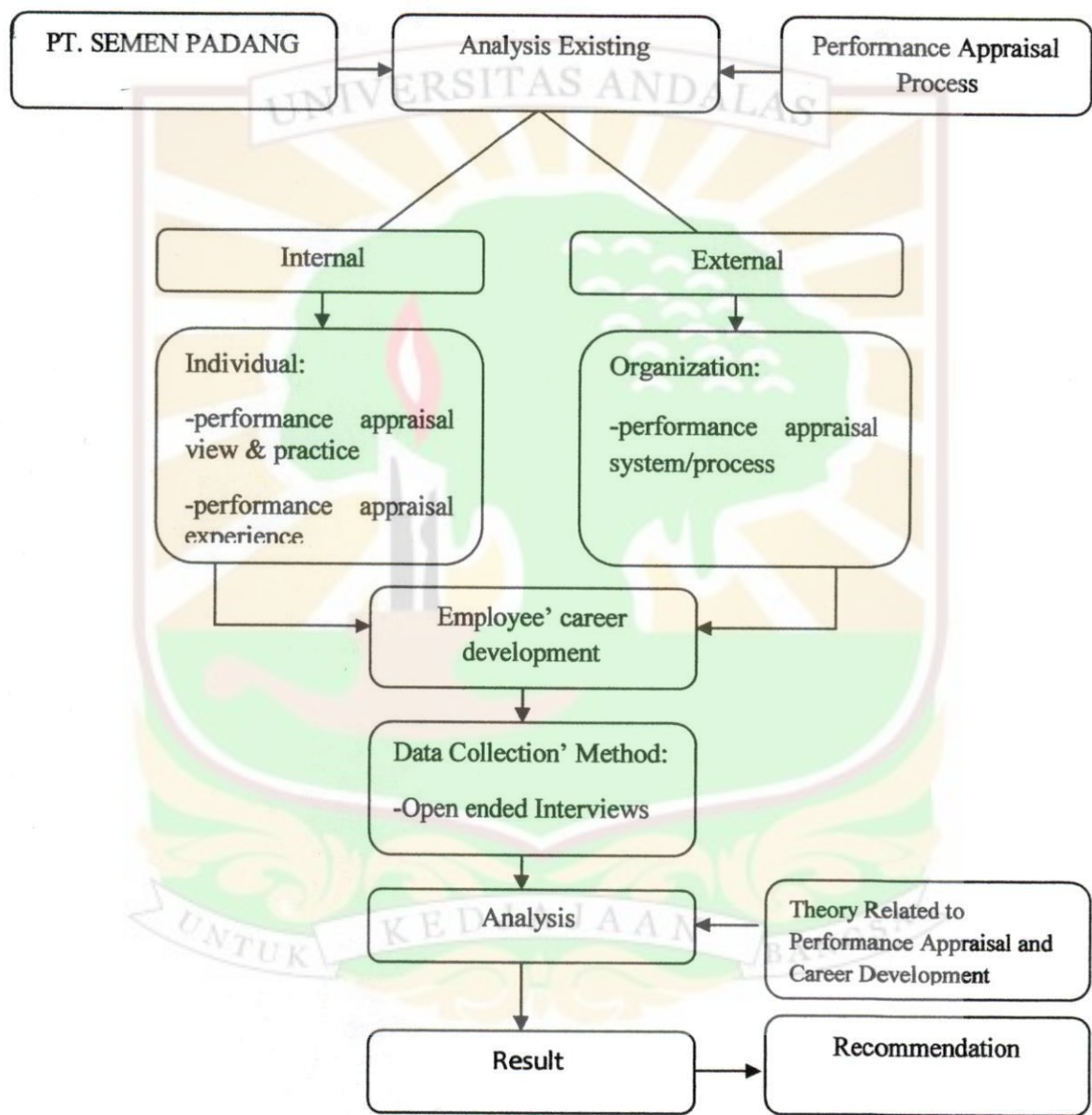
The previous studies above sharpening the possibility of the relationship between performance appraisal and career development, therefore researcher wants to examine the similar research to get a new finding by using similar variables.





2.5 Research Framework

The model or flow of this research belongs to the review of literature above as follows:



## **CHAPTER III**

### **RESEARCH METHOD**

#### **3.1 Research Design**

As explained in the Chapter I, the nature of this research problem is the phenomenon of performance appraisal and the impact on career development of employees at PT. Semen Padang, suggests that a qualitative approach is appropriate.

Strauss and Corbin (1990); cited from Corral (2009) define qualitative research as, "any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification". They suggest that qualitative research can refer to persons' lives, stories, behavior, organizational functioning, social movements, or interactional relationships. In addition to that, Denzin and Lincoln (2000); cited from Ospina (2004) claim that qualitative research involves an interpretive and naturalistic approach: "This means that qualitative researchers study things in their natural settings, attempting to make sense of, or to interpret, phenomena in terms of the meaning people bring to them.

Bogdan and Biklen (2003) introduce five features of qualitative research:

- a. Qualitative research has actual settings as the direct source of data and the researcher is the key instrument
- b. qualitative research is descriptive
- c. qualitative researchers are concerned with process rather than simply with outcomes or products

- d. qualitative researchers tend to analyze their data inductively
- e. "Meaning" is of essential concern to the qualitative approach.

A qualitative research design is apropos for this research because researcher tends to investigating the real experiences that felt by employees at PT. Semen Padang regarding with performance appraisal process they got in that company.

### 3.2 Population & Sample

Since the intent of this research is to ascertain how is the role of performance appraisal process that faced by employees at PT. Semen Padang contribute to their career development, also how is performance appraisal conducted at PT. Semen Padang, the population of this research is the people who work at PT. Semen Padang. Sample or participants of this research are 11 employees in vary levels who worked at vary department in PT. Semen Padang. The following table will show the participants are chosen at PT. Semen Padang:

Table 3.1.Participants Chosen from Varies Departments

No	Department	Employees' Level	Amount of participant
1	Human Resource Department	Eselon 3	1 employee
2	Human Resource Department	Eselon 4	1 employee
3	Financial Department	Eselon 3	1 employee
4	Accounting Department	Eselon 3	1 employee
5	Info. system Department	Eselon 3	1 employee
6	Info. system Department	Staff 2	1 employee
7	R&D Department	Eselon 2	1 employee
8	Dept. Perbekalan	Eselon 4	1 employee
9	Dept. Penjualan	Eselon 4	1 employee
10	Distribution & transportation Department	Staff 2	1 employee
11	Company secretary	Eselon 4	1 employee

Source: Primary data 2011



Dealing with that, researcher just takes 11 participants from 10 departments which exist at office center with the reason of the limitation of researcher to reach other departments which located out of PT. Semen Padang' office center. Over all in PT. Semen Padang, there are 17 departments, however only 10 departments with person available at office, the rest 7 departments are located in the area which far from the office. It is also difficult to reach the people who work at that department. As mentioned by Mr. Syafril Aras, head of Human Resource Management department at PT. Semen Padang, he stated that: "it's difficult to reach the employees who work in that department because the rest 7 department is running the job which related to the production activities, so they are very busy and cannot be disturbed".

Meanwhile, the previous research by Corral (2009) also becomes the consideration and as a foundation by researcher to decide takes 11 samples for this research. Corral (2009) was examined about the experiences of mid-level women in study affairs administration toward their perception of performance appraisal impact on their career development. In her study, Corral takes one sample for one institution in describe the experience of mid-level women in that related institution, where she takes 14 institutions for examining her study, so Corral has 14 participants/samples. Therefore, researcher expected that by take one sample in one department at PT. Semen Padang it will describe the experience of employees at related department and generally will describe the experience of employees at PT. Semen Padang regarding the previous research conducted by Corral (2009).

In term of sample/participants, researcher takes two types of participants which described in the following table:

Table 3.2.Portion of Participants (Sample)

Participant' type	Portion of Participant
Rater	5 participants
Employee	6 participants
Total	11 participants

Source: Primary data 2011

In order to identify an appropriate sample for this study, the following sampling criteria will be used:

- a. Gender: men and women.
- b. Position Title and Employment Status: Participants must be exists at vary levels in PT. Semen Padang who hold the position of unit or department for a minimum two months
- c. Participants must be currently employed at least a one-year in PT. Semen Padang.

3.3 Data

There are two sources of this research:

3.3.1 Primary Data

Primary data is information obtained firsthand by the researcher on the variables of interest for the specific purpose of study (Sekaran, 2003). In collecting data, researcher will conducting personal interview for each employees in vary levels at PT. Semen Padang.

The interview strategy employed will be a combination of an interview guide and standardized open-ended interview approach. Patton (2002); cited from Corral (2009) describes, "An interview guide is prepared to ensure that the same basic lines of inquiry are pursued with each person interviewed. The interview guide provides topics or subject areas within which the interviewer is free to explore, probe, and ask questions that will elucidate and illuminate that particular subject. The guide helps make interviewing a number of different people more systematic and comprehensive by delimiting in advance the issues to be explored".

Some guidelines that will be used by researcher in conducting interview are provides:

- a. A letter for getting permission doing interview: outlining the purpose of the study.
- b. Participant eligibility form: minimum selection criteria along with a brief participant eligibility form.
- c. Interview protocol: provide a framework and direction for our discussion as well as reinforce my role as an active listener.

### **3.3.2 Secondary Data**

Secondary data is information gathered from source already existing (Sekaran, 2003). Secondary data of this research get from the real phenomena that exist at PT. Semen Padang relate to the performance appraisal process that applied. Researcher will look for some data needed for this research to the human resource department.



Researcher also will take references to previous study that have been getting finding about the relationship between performance appraisal and career development. But since limited source of secondary data, primary data dominantly used in this research.

### **3.4 Data Collection Method**

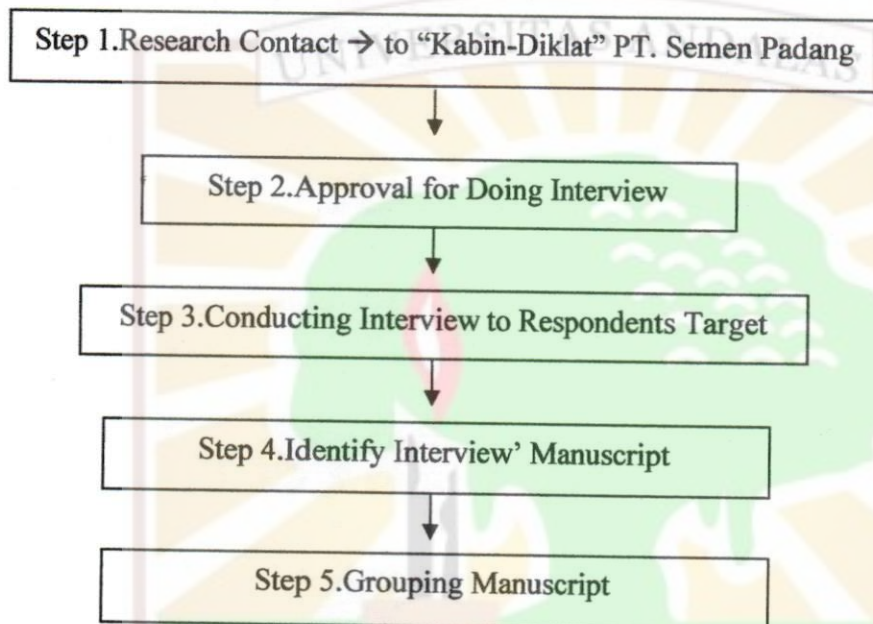
Data collection for this study will be achieved through personal interviews or open-ended interviews. Researcher will be interviewing 11 employees in vary levels that worked at PT. Semen Padang who will be asked to share their own personal experiences with performance appraisal and how they feel this process has contributed to or hindered their career development and advancement.

According to Patton (2002); cited from Corral (2009), qualitative findings grow out of three kinds of data collection, one of these is open ended interview; interviews yield direct quotations from people about their experiences, opinions, feelings, and knowledge. Bogdan and Biklen (2003) noted that open ended questions are used in order to get as many details as possible. Open ended questions allow for the informants to answer from their own frame of reference rather than being confined by the structure of pre-arranged questions.

Regarding with the use of interview as the method for collecting data, Researcher use structured interviews. According to Sekaran (2003), structured interview are those conducted when it is known at the outset what information is needed. Sekaran (2003) add the interviewer has a list of predetermined questions to be asked to the respondents either personally, through the telephone, or through the medium of a PC.

Therefore, researcher choose structured interview because the question that will be raised belong to the list of questions which have been set before. The following figure shows briefly steps of data collection for this research:

Figure 3.1.Steps of Data Collection



### 3.5 Variables

Sekaran (2003) explained that variable is anything that can take on differing or varying values. The value can differ at various times for the same object or person, or at same time for different objects or persons. There two variables used in this research; 1) performance appraisal, and 2) career development.

3.6 Operational Definition

Operationally defining a concept to render it measurable is done by looking at the behavioral dimensions, facets, or properties denoted by the concept. The operational definition of variable for this qualitative research can be seen from the table below:

Table 3.3.Operational Definition of Variables

Variables	Dimensions	Questions
1. Performance Appraisal	1.1 Performance Appraisal Design	1.1.1 Stated purpose of PA 1.1.2 PA' schedule 1.1.3 The appraiser 1.1.4 Performance feedback
	1.2 Performance appraisal process	1.2.1 Steps in appraising performance: a. define the job b. Appraise performance c. Provide feedback
		1.2.2 Performance appraisal method: a. Graphic Rating Scale b. Ranking c. Forced Distribution d. Assessment Center e. MBO f. 360-Degree Feedback
2. Career Development	2.1 Roles in Career Development	2.1.1 Individual 2.1.2 Manager 2.1.3 Employer
	2.2 Career Management	2.2.1 Career planning 2.2.2 Career path
	2.3 Approaches to employee development	2.3.1 Assessment 2.3.2 Interpersonal relationship 2.3.3 Formal education 2.3.4 Job experience
	2.4 Career development Focus	2.4.1 Believes of employees toward PA impact to their career development

Source: Primary data 2011

3.7 Data Analysis

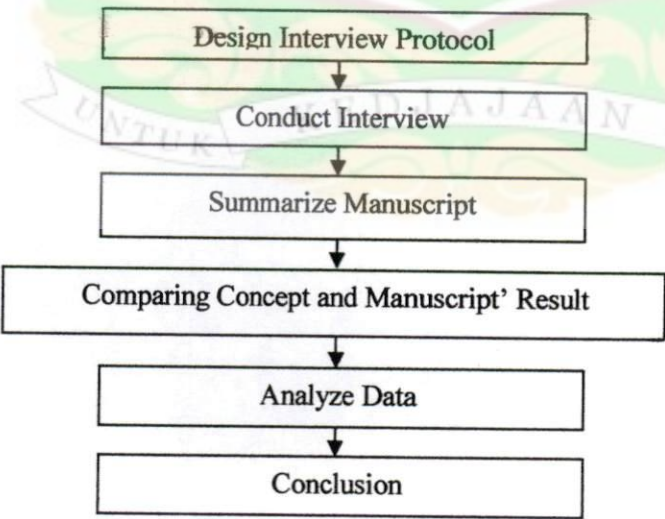
Glesne (1999); cited from Corral (2009) describes data analysis for qualitative research involves organizing what we have seen, heard, and read so that you can



make sense of what you have learned. Working with the data, we describe, create explanations, pose hypotheses, develop theories, and link your story to other stories. To do so, we must categorize, synthesize, search for patterns, and interpret the data we have collected.

Regarding with that, analyzing data in this research will be analyzed based on previous study, the researcher will review the interview transcripts for emergent themes that relate to the original research questions and piece them together in data manuscript. Through the use of data manuscript, researcher will endeavor to "bring order, structure, and meaning to the mass of collected data" (Marshall & Rossman, 1989, p. 112; cited from Corral, 2009) in order to get finding whether performance appraisal impact employee career development at PT. Semen Padang, also define how is the performance appraisal practice at this company is conducted. The following figure shows flowchart of data analysis which figure the flow followed by researcher in analyze the data:

Figure 3.2.Flowchart of Data Analysis



## CHAPTER IV

### INSTITUTIONAL PROFILE

This chapter explains briefly the profile of PT. Semen Padang as the institutional/company chosen for this research.

#### 2.1 Background of PT. Semen Padang

PT Semen Padang is the first cement plant to be located in Indarung in West Sumatra town Padang. Set up by a number of Dutch businessmen on March 18, in 1910, this plant was originally named NV. Nederlands Indische Portland cements Maatschappij (NV. NIPCM). In 1972, the status of the company was changed into a limited liability company (PT) and the name into PT. Semen Padang. This cement plant is wholly owned by the government. Currently, of the ten cement plants operating in Indonesia, PT. Semen Padang is the second biggest cement plant after PT. Indocement Tungal Prakarsa (PT ITP). This company started its production at 1913 for the first time with the capacity 22,900 ton a year and in 1939 this company able to produces cements as much as 170,000.

Belong to Regulation of Government Number 50 on July, 5 in 1958, about determination of industrial company and mining of Dutch' assets imposed by nationalization, hence NV Field of Portland Cement Maatschappij was nationalized and then handled by *Badan Pengelola Perusahaan Industri & Tambang* (BAPPIT) Center. After three year managed by BAPPIT Center, according to Regulation of Government Number 135 in 1961 company status turned into PN (Public Company).



Finally, in 1971 through the Regulation of Government Number 7 decided status of Semen Padang become PT. Persero.

According to Letter of Minister for Finance Republic Indonesia Number 5-326/MK.016/1995, government do consolidation to the three public company of cement factory, that are PT. Semen Tonasa (PTST), PT. Semen Padang (PTSP) and PT. Semen Gresik (PTSG), which established on September, 15 in 1995, therefore PT. Semen Padang exist under PT. Semen Gresik Tbk (Cement Gresik Group).

## 2.2 Vision and Mission of PT. Semen Padang

Vision of PT. Semen Padang is "*Menjadi Industri Semen Nasional yang Handal, Unggul, dan Berwawasan Lingkungan* (Become the best and environmentally Public Semen Industry)".

Belong to that's vision, PT. Semen Padang has several mission, these are:

- a. Increase company' value for the walfare of stakeholders, employees, and the other parties who involve in the company.
- b. Increase the services for customers to fulfill customers' need through compete with the competitor and increase market share.
- c. Optimalize the business process internally in order to increase the quality of product and services through resonable cost and environmentally.
- d. Increase human resource competence in order to create proffessional human resource.
- e. Fulfill the need of customers in term of the need for cement in domestic and overseas.



### 2.3 Standar Quality' Product of PT. Semen Padang

In term of product' quality, PT. Semen Padang has been got international certification which proved by nasional and international standar quality that has been got by this company, such as:

- a. Standard National Indonesia (SNI) 15-2049-1992
- b. Standard National Indonesia (SNI) 15-2049-1993
- c. Standard National Indonesia (SNI) 15-2049-1994
- d. Japanese Industrial Standard (JLS) r-5210- b-50-1995
- e. American Society for Testing and Material (ASTM) 50-1995
- f. American Society for Testing and Material (ASTM) c. 91-93 type m
- g. British Standard (BS) 12-1989
- h. American Petroleum Institute (API) Spec. 10A-1995 Class G-HSR

Moreover, PT. Semen Padang also gets certification toward its management system as the following:

- a. American Petroleum Institute (API) Certificate Number 10a-044,1995 Class G-HSR
- b. ISO 9002-1994, Certificate Number 95-97 scope : Raw Material Mining Cement Manufacturing and Cement Packing and Marketing, from Quality Certification Bareau Inc. Canada (QBC)
- c. ISO 9001-1994 Certificate Number 97-585 scope : Design Development Production, Instalation and Servicing of Equipment for Industries, from Quality Bareau Inc. Canada (QCB)\

- d. ISO 14001: 1996/SNI 19-14001-1997, from Sucofindo International Certification Service Organization No. EMS 00013.

## 2.4 Management System of PT. Semen Padang (SMSP)

### The Essential of SMSP

Management System of PT. Semen Padang or *Sistem Manajemen PT. Semen Padang (SMSP)* is the management system which use quality as business strategy and belong to the prinsip of costumazation where all of organization' component involved there.

The characteristics of *SMSP* are there is continually actions, quality meet customers' wants and needs, not only belong to profit orientation but also belong to process orientation, ignore the wasting activities, and avoid the problem in organization.

Management System of PT. Semen Padang consist of three major frameworks which related each other. That's three framework exist together in a basic which called as Basic Mentality (*Mentalitas dasar*). The three framework of *SMSP* are:

- a. Management system
- b. Solution for a problem
- c. Establishment approach and continually actions (*Pendekatan penerapan dan pengembangan lebih lanjut*).



Basic Mentality become work philosophy in *SMSP* which describe the mentality that become a fundamental of way of thingking and taking action in organization in doing business activities.

## 2.5 Organization Structure of PT. Semen Padang

In order to support the company' activities, organization structure become critical part which should have by an organization includes PT. Semen Padang. Organization structure at PT. Semen Padang describes responsibility and authority of each department in the company, so that work activity can run well and structurally.

As well as organization structure is so important for an organization, organization structure of PT. Semen Padang use linear and staff system, which lead by four directors. In dealing with their job, four directors supervised by four supervisors where each supervisor has authority in taking appropriate actions in doing business activities, meanwhile the arrangement of company' policy establish under Board of Director' (BOD) permission. BOD are chosen and dismissed belong to "*Surat Keputusan*" (SK) Ministry of Finance as the government' right, because PT. Semen Padang is public company (BUMN).

The following table shows the major four directors and department available at PT. Semen Padang which describe organization structure of this company:



Table 4.1.Four Directors and Department at PT. Semen Padang

Directors	Supervisors and Department
1. Marketing Director	<ul style="list-style-type: none"><li>▪ Departmen <i>penjualan</i></li><li>▪ Department of '<i>Perencanaan &amp; Pengembangan Pasar</i>'</li><li>▪ Dist-Trans Department</li></ul>
2. Production Director	<ul style="list-style-type: none"><li>▪ Mining Department</li><li>▪ Production Department II/III</li><li>▪ Production Department IV</li><li>▪ Production Department</li><li>▪ Utilities Department</li></ul>
3. ' <i>Litbang</i> ' & Operation Director	<ul style="list-style-type: none"><li>▪ R&amp;D Department</li><li>▪ Department of '<i>Renbangsar</i>'</li><li>▪ Department of '<i>Jaminan Kualitas &amp; Perwakilan Manajemen</i>'</li><li>▪ Department '<i>Perbekalan</i>'</li></ul>
4. Financial Director	<ul style="list-style-type: none"><li>▪ Financial Department</li><li>▪ Accounting Department</li><li>▪ HR Department</li><li>▪ System Information Department</li></ul>

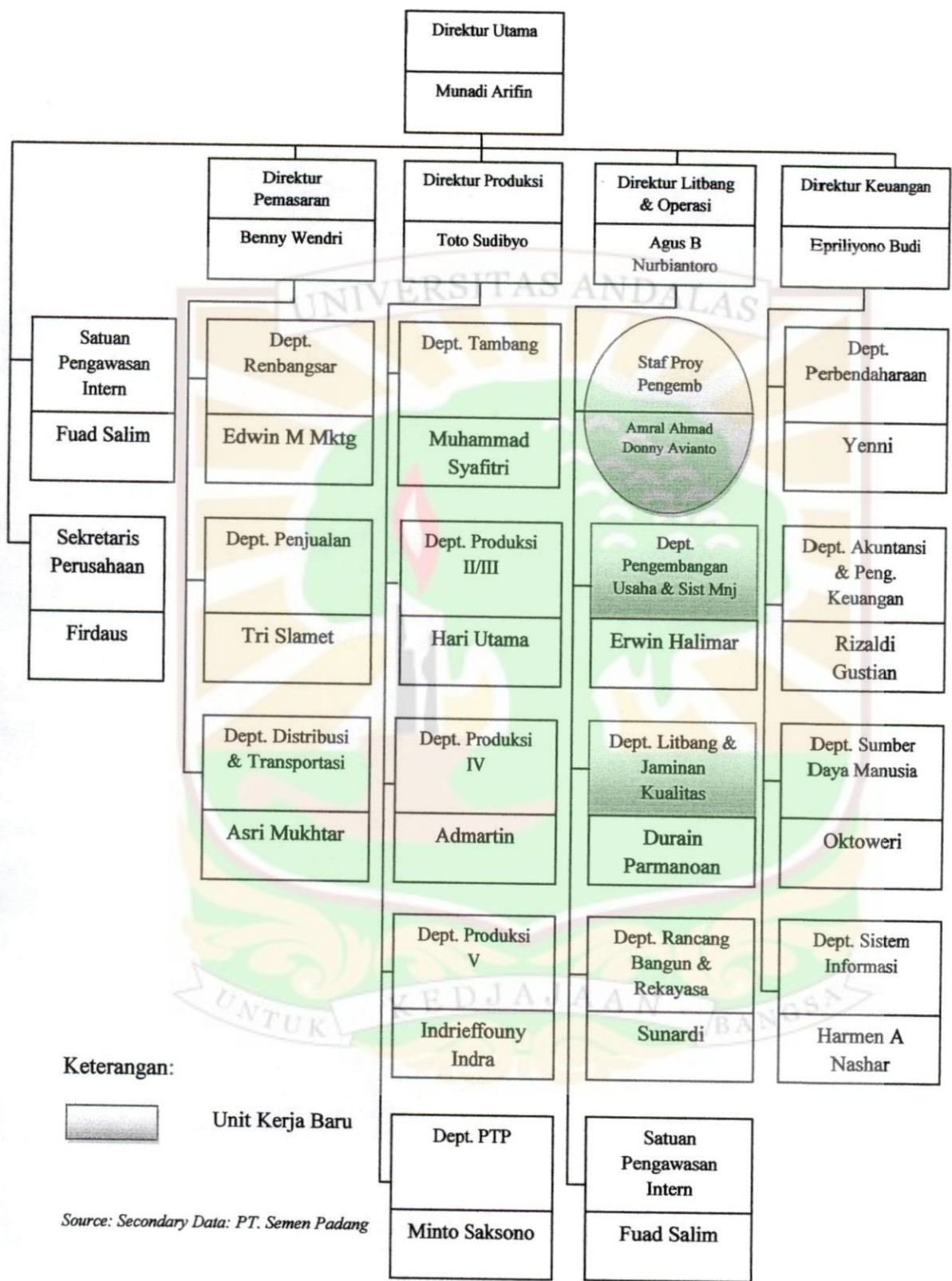
Source: Secondary Data; PT. Semen Padang' Profile

Additionally, that's four directors also lead directly two others departments, these are:

- '*Satuan Pengawasan Intern (SPI)*'
- '*Sekretaris Perusahaan (SekPer)*'

Moreover, PT. Semen Padang has been designed its organizational structure which describe the structure and organizational' pattern of this company. The following figure shows organizational structure of PT. Semen Padang:

Figure 4.1.Organizational Structure of PT. Semen Padang



## CHAPTER V

### RESULTS AND DISCUSSION

This chapter will interpret answer which given by 11 participants of employees at PT. Semen Padang. This chapter provides a brief introduction to each participant and draws upon the interviews for rich and narrative description of their experiences with the performance appraisal process as it relates to this study's original research questions which conducted through interview protocol. The analysis of data are got through that's interview will be explored in this chapter.

Since August 19<sup>th</sup>, 2011 survey and asked permission for doing interview at PT. Semen Padang had been conducted. Approval letter issued on September 26<sup>th</sup>, 2011 by PT. Semen Padang and permission for doing interview got on September 26<sup>th</sup> until October 25<sup>th</sup>, 2011. In that's given schedule interview was conducted to 11 participants.

The following sections show the overall profile of participants and their experiences with the performance appraisal process regarding with two research questions as a framework.

#### **5.1 Profile of Participants**

As explained at Chapter III, the participants of this research divided into two types. The first group is belongs to the participants who appraise their subordinates' performance, in this research it call as "rater". Second is belongs to the participants who get performance appraisal from their supervisor, call as "employee". Table 5.1 shows the portion of participants.



Table 5.1.Portion of Participants

Participant' type	Portion of Participant
Rater	5 participants
Employee	6 participants
Total	11 participants

Source: Primary data 2011

5.1.1 Profile of Rater

As explained before rater is the supervisors at PT. Semen Padang who appraised their employees. The positions of these participants are start from eselon 3 to eselon

1. The following table will shows the brief information of participants:

Table 5.2.Profile of Rater

Partici pant	Name	Age	Education	Current Position	Employment Status		Getting promotion
					At current Position	At PT. Semen Padang	
1	Syafril Aras	54 years old	Senior High School (engineering)	HR Supervisor	3 years	32 years	Four times
2	Freddo Syukri, SE, Ak	30 years old	Bachelor (accounting)	Accounting Supervisor	6 years	6 years	Not yet
3	Hermawan Ardiyanto	32 years old	Bachelor (management)	Financial Supervisor	5 years	5 years	Not yet
4	Khatul Adhadanur	51 years old	Diploma (engineering)	Operating supplies Supervisor	2 months	28 years	Four times
5	Ridwan Syah	49 years old	Bachelor (Economic)	R&D Supervisor	3 months	23 years	One time

Source: Primary data 2011

5.1.2 Profile of Employee

There are six participants for this participant. The position of this participant is below of the rater. As informed before, in this research employee is the party who get performance appraisal from their supervisor at PT. Semen Padang. Table 5.3 will show the brief information of each participant:

Table 5.3.Profile of Employee

Partici pant	Name	Age	Education	Current Position	Employment Status		Getting Promotion
					At Current Position	At PT. Semen Padang	
1	Indra Nofiandi	35 years old	Diploma	Employee at Information system dept	6 months	10 years	Two times
2	Suhermon	27 years old	Bachelor (engineering)	Employee at Distrans dept	1.5 years	1.5 years	Not yet
3	Afdal	43 years old	Senior High School	Employee at HR dept	2 years	22 years	Three times
4	Anri Hayanto	28 years old	Bachelor	Employee at Information system dept	1 years	2 years	Not yet
5	Marlina	49 years old	Senior High School	Employee at Distribution dept	3 years	23 years	Four times
6	Samsuarni	52 years old	Diploma (Economy)	Employee at "Sekper" dept	8 years	31 years	Three times

Source: Primary data 2011

5.2 Summary of Interview

As much as 17 sub-questions were asked to each participant. The interview participants shared their individual stories regarding their experiences with the performance appraisal process at PT. Semen Padang with regard to (1) How does PT. Semen Padang conduct the performance appraisal for its employees? (2) How does the performance appraisal result have impact on employees' career development?

Using the 17 sub-questions of two original research questions above, researcher introduces the stories of these employees to illuminate how the performance appraisal process impacts their career development, also the mechanism of performance appraisal itself, which followed by PT. Semen Padang. Summary of interview is



conducted as the first analysis of the interview in order to get finding. The detail summary of interview provided at Appendix 1.

The summary of interview cover all of answers from 11 participants both raters and employees. The answers of each participant have been summarized regarding with the most answering from all participants. Table 5.4 and table 5.5 show clearly the summary of each question' theme which is formed based on all of participants' responds.

Table 5.4.Summary of Raters' Answers

Theme of Questions	Summary of Answers
Purpose of PA	The purpose of PA at PT. Semen Padang is to determine a promotion for employees.
Frequency of PA	Frequency of doing performance appraisal at PT. Semen Padang divided into two types. First is doing every month and they call it as " <i>bulanan</i> ". Second is doing two times a year, call it as " <i>6 bulanan</i> ". For the period of " <i>6 bulanan</i> ". The performance appraisal done on July and January and for the process toward that's appraisal is done on October and April.
Knowing the appraiser	All of employees know the person who appraises them.
Knowing when appraised	The employees did not know when they appraised by their supervisor.
PA meet job description	Performance appraisal have been conducted belong to the job description for each employee.
Indicator of assessment	Creativity, affectivity, and attitude of the employees become the major indicators for appraising performance at PT. Semen Padang.
Effort in helping employees to achieve good PA	Give such kind of motivation, advice the employee, and take a discussion with the



	employees in term of their work problem for helping their employee to achieve good performance appraisal.
Informing PA's result to employees	Employees not informed about the result of their performance appraisal.
Procedure of PA	Procedures of performance appraisal at PT. Semen Padang already have clear direction and formal system. That is procedure applied by all department in the same way. Human Resource dept become a department who managing performance appraisal practice.
Relationship between PA and career development	There is strong relationship between performance appraisal and career development.
Party who determine the successfulness of employees' career (supervisor, institution, and/or individual).	In achieve the successfulness of employees' career supervisor, institution, and individual has its own role, but it complements and relates each other.
Indicator of career' successfulness	Skills and attitude is becoming major indicators that determine the successfulness of employees' career at PT. Semen Padang.
Career path' pattern (should be linear or not)	The pattern of career path at PT. Semen Padang should be linear.
Effort for helping advancement employee's career	Supervisor is more focusing to the abilities and skills of employees for helping employees advance their career.
Recommendation for future PA at PT. Semen Padang	Participants expect that the procedure of performance appraisal become more transparent and not subjective, meanwhile there is a new system that will be applied by PT. Semen Padang that is "Job Grading".

Source: Primary data 2011

Table 5.5.Summary of Employees' Answers

Theme of Questions	Summary of Answers
Purpose of PA	Stated purpose of performance appraisal at PT. Semen Padang is to determine whether an employee proper to get promotion or not.
Frequency of PA	Not all of employees at PT. Semen Padang know exactly the frequency of conducting performance appraisal in their company.
Knowing the appraiser	All of employees know exactly who is appraising them.
Knowing when appraised	Employees do not know when their supervisors appraise them.
Pa meet job description	Performance appraisal have been conducted belongs to job description.
Indicator of assessment	Attitude is become the major indicator used in appraising employees' performance at PT. Semen Padang.
Effort in achieving good PA	Employees will work as well as possible in order to achieve good result for their performance appraisal.
Informed result of PA	The procedures of performance appraisal at PT. Semen Padang not transparent in term of result that achieve by each employee.
Opportunity for confirming PA' result	PT. Semen Padang quite flexible in term of giving opportunity to the employees if the employees feel unsatisfied toward the feedbacks which give to them after their performance was appraised.
Procedure of PA	The procedure of PA is started from HR' dept as the dept which managing PA process at PT. Semen Padang.
Relationship between PA and career development	There is relationship between performance appraisal and career development. Performance appraisal can be a tool or basic to drive supervisors take an action relate to the career of employees as the one of feedback toward current employees' performance.
Party who determine career's successfulness (supervisor, institution,	Employees at PT. Semen Padang feel that all of component (supervisor,



and/or Individual).	institution, and individual) in an organization is becoming the party who have role in their career.
Indicator of career's successfulness	The ability in building good relationship with the supervisor is becoming a major indicator which determines the successfulness of their career.
Career path' pattern (should linear or not)	The pattern of career path at PT. Semen Padang should be linear, but in practice there is a condition where there is employee who can jump to higher position because of certain consideration from the supervisor.
Effort in advance career	The employees believe that through improve their skill and knowledge it can help them in advance their career.
Recommendation for future PA at PT. Semen Padang	Employees at PT. Semen Padang want the practice of performance appraisal in their company becoming more transparent and not subjective. Employees at PT. Semen Padang want the process more fairly.
Expectation toward future career	All of employees at PT. Semen Padang really want to get promotion in order to advance their career in the future.

*Source: Primary data 2011*

### 5.3 Confirmation Theories and Practices

The next section of this chapter addresses the confirmation of the actual practice occurred at PT. Semen Padang to the theories of performance appraisal and career development. This chapter will expand and analyze more the responds of participants and link it to the related theories. The summary of interviews above will guide the analyses in this section.

All participants, both raters and employees asked the same questions with different perception belong to their role as appraiser and as a person who appraised. Regarding with operational definition designed at Chapter III, as much as 17 sub-



questions categorized based on theory of performance appraisal and career development to sharp the finding of (1) How does PT. Semen Padang conduct the performance appraisal for its employees? (2) How does the performance appraisal result have impact on employees' career development?

The theory of performance appraisal will be dominate used in analyze the responds' summary of all participants because performance appraisal become the central variable which examined in this research. Meanwhile, the theory of career development will be used more in analyze to what extent performance appraisal impact the career development of employees at PT. Semen Padang. By what indicator we can say that performance appraisal influence the career development of employees, where that's indicator will belongs to the theory of career development.

The performance appraisal experiences shared by all participants reveal a variety of positive and negative factors that have and continue to shape the relationship between this process and their career development also show what mechanism are followed by PT. Semen Padang in conducting it. This confirming theories and practices will be shown in the following table:

Table 5.6.Confirmation Theories and Practices

Dimensions and Items	Responds' Summary		Theories	Analyses
	Raters	Employees		
<b>PA' Design:</b> 1. The purpose of Performance Appraisal (PA)	The purpose of PA at PT. Semen Padang is to determine a promotion for employees.	Stated purpose of performance appraisal at PT. Semen Padang is to determine whether an employee proper to get promotion or not.	<p>There are several reasons which make a company provide performance appraisal, one of that is: appraisals provide information upon which manager make promotion and salary decisions (Dessler, 2003).</p> <p>In addition to that, McGregor (1987); cited from Kumar (2005), has been classified the objectives of performance appraisal, one of that is for administration objective: Providing an orderly way of determining promotions, transfers and salary increases.</p> <p>Promotions are advancements into positions with greater challenges, more responsibility, and more authority than in the previous job. Promotion usually includes pay increase (Noe, Hollenbeck, Gerhart &amp; Wright, 2010).</p>	<p>There is a match finding between actual practices at PT. Semen Padang with related theory.</p> <p>The finding show that PT. Semen Padang conducting its performance appraisal for the reason of deciding a promotion for its employees and that's reason meet the actual reason for implementing performance appraisal as explained in theory of performance appraisal itself.</p> <p>Belong to theory given, it's necessary for organization to fix the schedule of conducting performance appraisal in order to provide frequent appraisal for employees. PT. Semen Padang through the answers of raters described that frequency of doing performance appraisal at PT. Semen Padang divided into two types. First is doing every month and they call it as "<i>bulanan</i>". Second is doing two times a year, call it as "<i>6 bulanan</i>". For the period of "<i>6 bulanan</i>".</p>



<p>2. PA' schedule:</p> <p>a. Frequency of PA</p>	<p>Frequency of doing performance appraisal at PT. Semen Padang divided into two types. First is doing every month and they call it as "<i>bulanan</i>". Second is doing two times a year, call it as "<i>6 bulanan</i>". For the period of "<i>6 bulanan</i>". The performance appraisal done on July and January and for the process toward that's appraisal is done on October and April.</p>	<p>Not all of employees at PT. Semen Padang know exactly the frequency of conducting performance appraisal in their company.</p>	<p>Bhagwat (2006) explained that one the decision to utilize a system of performance appraisal is made; some of the initial steps for developing a performance appraisal are to decide who will be involved with the design process, the development timeline, the goal of the system, and who will be responsible for the continued evolution of the system.</p> <p>Additionally, Bhagwat (2006) noted the performance appraisal design should decide on the performance appraisal schedule.</p>	<p>The performance appraisal done on July and January and for the process toward that's appraisal is done on October and April.</p> <p>Therefore, researcher concludes PT. Semen Padang conduct its performance appraisal for two types of schedules, these are biannually and monthly.</p> <p>Additionally, the respond almost half participants both raters and employees stated that the employees don't know when they are appraised, meaning that PT. Semen Padang not confirm clearly the schedule of conducting performance appraisal to its employees.</p>
<p>b. Know when appraised</p>	<p>The employees did not know when they appraised by their supervisor.</p>	<p>Employees do not know when their supervisors appraise them.</p>	<p>Employee review should be performed on a frequent and ongoing basis (Boice and Kleiner, 1997). It's necessary to decide how often performance appraisals will be given: annually, biannually or quarterly.</p>	<p>PT. Semen Padang conduct performance appraisal by using immediate supervisor as the party who will appraise the employees. There are two kind of immediate supervisors are used; direct and indirect supervisor. Meaning that PT. Semen Padang use top-down approach as multi-raters technique.</p>
<p>3. The appraiser</p>	<p>All of employees know the person who appraises them; these are direct and indirect</p>	<p>All of employees know exactly who is appraising them; these are direct and indirect</p>	<p>In conducting performance appraisal, organization need to address this task to the right person in order to established well</p>	<p>PT. Semen Padang not really transparent in term of giving</p>

	supervisor.	supervisor.	performance appraisal (Dessler, 2008).  There are several parties mentioned by Dessler (2008) who may appraise the employees in an organization, one of it is immediate supervisor.  In addition to that, Bhagwat (2006) mentioned there is common approach used by organization in deciding who will assess employees' performance that is top-down approach.  Top-down approach is multi-rater technique. Multi-rater technique means that more than one person is involved in rating performance (Bhagwat, 2006).  Once the expected performance has been defined and employees' performances have been measured, it is necessary to feed that performance information back to the employees so they can correct any deficiencies (Dessler, 2001).  Dessler (2011) suggested some recommendations for manager in conducting well performance	information to its employees toward the result of performance appraisal, meanwhile related theory suggested that it is necessary to feed that performance information back to the employees so they can correct any deficiencies.  In the other side, PT. Semen Padang quite flexible in term of giving opportunity to the employees if the employees feel unsatisfied toward the feedbacks which give to them after their performance was appraised.  Therefore, researcher concludes that PT. Semen Padang already conduct performance feedback, but not well practiced.
4. Performance feedback:				
a. Informing the result	Employees not informed about the result of their performance appraisal.	The procedures of performance appraisal at PT. Semen Padang not transparent in term of result that achieve by each employee.		
b. Opportunity to conforming	Researcher did not ask to rater.	PT. Semen Padang quite flexible in term of giving		



result		<p>opportunity to the employees if the employees feel unsatisfied toward the feedbacks which give to them after their performance was appraised.</p>	<p>feedback; one of it is encourage the subordinate to participate in the session.</p>	
<p><b>PA' process:</b></p> <ol style="list-style-type: none"> <li>1. Step in appraising performance: <ol style="list-style-type: none"> <li>a. PA meet job-des</li> </ol> </li> <li>2. PA' method: <ol style="list-style-type: none"> <li>a. Procedure of PA</li> </ol> </li> </ol>	<p>Performance appraisal have been conducted belong to the job description for each employee.</p> <p>Procedures of performance appraisal at PT. Semen Padang already have clear direction and formal system. That's procedure applied by all department in the same way. Human Resource dept become</p>	<p>Performance appraisal have been conducted belongs to job description.</p> <p>The procedures of performance appraisal at PT. Semen Padang not transparent in term of result that achieve by each employee. The procedure of PA is started from HR' dept as the dept which managing PA process at</p>	<p>The performance appraisal process contains three steps: define the job, appraise performance, and provide feedback. Appraise performance means comparing subordinate's actual performance to the standards that have been set (Dessler).</p> <p>Samad (2011) stated that performance appraisal can be measured in various ways.</p> <p>In addition to that, there are several method proposed for conducting well performance appraisal (Dessler, 2003), one of that; Graphic Rating Scale: method of performance appraisal which is use a scale that list a number of traits</p>	<p>The summary of participants' respond show the performance appraisal at PT. Semen Padang have been conducted belong to the job description of each employee.</p> <p>Therefore, researcher concludes that PT. Semen Padang already conduct well performance appraisal, where this company already follow the step of performance appraisal process which given in the theory.</p> <p>Regarding with several method used for conducting performance appraisal, PT. Semen Padang use Graphic Rating Scale method.</p> <p>It seen from the indicator used in assessing employees' performance, form of PA, and the way in rate the employees' performance are meet with the theory of Graphic Rating</p>

<p>b. Indicator of assessment</p>	<p>a department who managing performance appraisal practice.</p> <p>Creativity, affectivity, and attitude of the employees become the major indicators for appraising performance.</p>	<p>PT. Semen Padang.</p> <p>Employees don't know when their supervisors appraise them.</p>	<p>and a range of performance for each. The employee is then rated by identifying the score that best describes his or her level of performance for each trait (Dessler, 2003).</p> <p>Additionally, Hansen (1984) explained that by using Graphic Rating Scale method the evaluators are given a graph and asked to rate the employees on each of the characteristics.</p>	<p>Scale method.</p> <p>PA' mechanism of PT Semen Padang will be explored in the next section.</p>
<p><b>Career Management at PT. Semen Padang:</b></p> <p>1. Career planning:</p> <p>a. Expectation for future career</p> <p>b. Effort in advance career</p>	<p>Researcher did not ask to raters.</p> <p>Supervisor is more focusing to the abilities and skills of employees for helping employees advance their career.</p>	<p>All of employees at PT. Semen Padang really want to get promotion in order to advance their career in the future.</p> <p>The employees believe that through improve their skill and knowledge it can help them in advance their career.</p>	<p>Baron and Greenberg (1990, p.320); cited from report on management in the public service explained a typical career management program, as part of larger HR systems which involves efforts to:</p> <p>1) help employees to assess their own career strengths and weaknesses, 2) set priorities and specific career goals, 3) provide information on various career paths and alternatives within the organizations, and 4) offer employee yearly reviews of their</p>	<p>All of employees at PT. Semen Padang really want to get promotion in order to advance their career in the future.</p> <p>In order to reach their expectations, the employees believe that through improve their skill and knowledge it can help them in reach their expectation for future career.</p> <p>Meaning that, employees at PT. Semen Padang already aware with their career planning. Additionally, PT. Semen Padang already provides clear information</p>



<p>2. Career path: a. Career path' pattern</p>	<p>The pattern of career path at PT. Semen Padang should be linear.</p>	<p>The pattern of career path at PT. Semen Padang should be linear, but in practice there is a condition where there is employee who can jump to higher position because of certain consideration from the supervisor.</p>	<p>progress towards these goals by managers who have received training in conducting such assessments.</p> <p>Some companies are able and willing to provide a lot of detailed information about existing career options and paths, along with information about the knowledge, skills, and experiences needed to make career moves (Dreher &amp; Dougherty, 2002).</p> <p>According to report on career management in the public service, career paths set out a sequence of posts to which employees can be promoted, transferred and rotated.</p> <p>Additionally, Valcour and Ladge (2008) noted that traditional career is characterized by linearity and path dependency.</p>	<p>for the career path of its employees. Its proof by the responds of participants. The responds of participants show how PT. Semen Padang engaged with the career path for its employees.</p> <p>PT. Semen Padang already has formal direction and regulation toward career options and paths. Responds of participants give clear information which said career part' pattern at PT. Semen Padang should be linear.</p> <p>Theory given that's its very necessary for a companies to provide a lot of detailed information about existing career options and paths and PT Semen Padang already applied it.</p>
<p><b>The impact of PA to employee career development at PT. Semen Padang</b></p>	<p>There is strong relationship between performance appraisal and career development.</p>	<p>There is relationship between performance appraisal and career development. Performance appraisal can be a tool or basic to drive supervisors take an action relate to the</p>	<p>Career-oriented appraisals→ Performance appraisal also provides an ideal opportunity for the supervisor and employee to discuss and link the latter's performance, career interests, and developmental needs into coherent career plan (Dessler, 2003).</p>	<p>The interview summary show how the employees at PT. Semen Padang believe there is strong relationship between performance appraisal and career development.</p> <p>They also shared how performance appraisal affects their career. This</p>

		career of employees as the one of feedback toward current employees' performance.	<p>In addition to that, Dessler (2008) mentioned there are four major approaches to employee development, one of it is assessment.</p> <p>The previous research conducted by Bhagwat (2006) and Corral (2009) addressed performance appraisal become a toll for employees' career development.</p>	<p>fact meeting some theories of performance appraisal and career development which explained how both variable related each other.</p> <p>Detail explanation about this relationship will be described in the next section.</p>
<p><b>Role in Career Development:</b></p> <p>1. Party who determine the successfulness of employees' career</p> <p>2. Effort for achieving good PA' result</p>	<p>In achieve the successfulness of employees' career supervisor, institution, and individual has its own role, but it complements and relates each other.</p> <p>Supervisor is more focusing to the abilities and skills of employees for helping employees advance their career. Skills and attitude is becoming major indicators that</p>	<p>Employees at PT. Semen Padang feel that all of component (supervisor, institution, and individual) in an organization is becoming the party who have role in their career.</p> <p>The employees believe that through improve their skill and knowledge it can help them in advance their career.</p>	<p>Dessler (2003) noted that individual, manager, and employer become major parties in organization who has roles in career planning and development (brief explanation given in literature review at Chapter II).</p>	<p>In theory there is a role of individual, manager, and employer in career planning and development.</p> <p>The answer of participants confirm with that's given theory, where participants shared that supervisor, institution, and individual have a role in determining the successfulness of career.</p> <p>Theory related to the role in career development show each role of each party.</p> <p>Meanwhile, through the role of each party, the indicators which determine employees' career successfulness are described and the respond of participants meeting with</p>



<p>3. Indicator of career' successfulness</p>	<p>determine the successfulness of employees' career at PT. Semen Padang.</p> <p>Skills and attitude is becoming major indicators that determine the successfulness of employees' career at PT. Semen Padang.</p>	<p>The ability in building good relationship with the supervisor is becoming a major indicator which determines the successfulness of their career.</p>		<p>related theory in term of career successfulness' indicators.</p>
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Source: Primary Data 2011

### 5.3.1 The Differences of PA' Practice at PT. Semen Padang with the Theory

The confirmation theories and practices above is summarized into several major conclusions which describe briefly whether there is a gap between actual practice which done by PT. Semen Padang with the relevant theory or that's already in line with the theory.

Table 5.7 will show how the actual practice of performance appraisal at PT. Semen Padang is meeting with the theory; the data given describe that PT. Semen Padang already conduct its performance appraisal in line with the theory, but in term of giving performance feedback there is a gap between the relevant theory. Meaning that in giving performance feedback to its employees, PT. Semen Padang not really conducts it well; it may cause performance appraisal practice in this company become inefficient. As explained in the previous chapter, performance feedback is become a critical part in performance appraisal system in helping company and employees take further actions toward the result from performance evaluation. Therefore, PT. Semen Padang need to concern more in term of giving performance feedback to its employees.

That's differences are shows briefly in the following table:



Table 5.7. The Differences of PA' Practice at PT. Semen Padang with the Theory

Performance Appraisal' (PA) Dimensions	Keyword of Questions	Gap Theory and Practice	Explanation
1. PA' Design	a. The Purpose of PA	No	PT. Semen Padang has been set the purpose of its performance appraisal in line with the purpose of performance appraisal in theory.
	b. Schedule of PA	No	PT. Semen Padang already has a clear schedule for conducting its performance appraisal. This meeting with the theory which explains that the schedule of performance appraisal should be clearly defined (Bhagwat, 2006).
	c. The Appraiser	No	PT. Semen Padang already set up who will be the parties that will assess the employees' performance. Meanwhile, Bhagwat (2006) note that in the performance appraisal design process, the question of who will assess performance should be answered. Therefore, PT. Semen Padang has been conducting it in line with the theory.
	d. Performance Feedback	Yes, there is gap.	PT. Semen Padang not conducts its performance feedback as a whole well implementation yet. There are differences or gap between actual theory of performance appraisal' feedback with the practice did by this company. Performance feedback not just about giving reward and punishment to the employees toward their current performance, but moreover performance feedback also give information to the employees toward their current performance by letting they know exactly the result of their performance appraisal. Dessler (2001) stated that it necessary to feed that performance information back to the employees so they can correct any deficiencies. In the part of giving information toward its employees' performance result, PT. Semen Padang not did it yet. Therefore, researcher concludes that this company has been conducts performance feedback, but not conducts it well.
2. PA' Process	a. PA meet Job-des	No	PT. Semen Padang already conduct its performance appraisal dealing with the third process involve in the performance appraisal process. These are (1) defining job; (2) appraising performance; and (3) performance feedback (Dessler, 2003). For the second process: appraising performance, this company already assesses its employees' performance belong to the job standard (job description) which already set before to each employee.
	b. PA' method	No	PT. Semen Padang already use one of method available for conducting performance appraisal explaining by Dessler (2003), where this company use Graphic Rating Scale method in order to support its performance appraisal' practice.

Source: Primary Data (2011)

#### 5.4 Analysis of Performance Appraisal Practice at PT Semen Padang

Interviews have been conducted in order to get finding of (1) how does PT. Semen Padang conduct the performance appraisal for its employees? (2) How does the performance appraisal result have impact on employees' career development? The previous sections already show how the conducting performance appraisal at PT. Semen Padang is meeting the related theories. Although there are some answers which indicate PT. Semen Padang not really belong to the related theory for some practices of performance appraisal.

As much as 17 sub-questions have been provided to describe the view of performance appraisal practice at PT. Semen Padang. The describing of participants' answers has been got. The finding of analysis include: performance appraisal' design which involve: (a) the purpose of performance appraisal believed as a tool to decide a promotion; (b) PT. Semen Padang conduct its performance appraisal for two types of schedules, these are biannually and monthly; (c) PT. Semen Padang use top-down approach as multi-raters techniques in appraise employees' performance, which is use both direct and indirect supervisor; (d) in giving feedback, PT. Semen Padang not transparent in term of informing PA' result to the employee, meanwhile there is opportunity for employee to confirming their PA' result

Next dimension is belong to performance appraisal' process which involve: (a) performance appraisal meeting with job description; (b) PT. Semen Padang have clear direction in conducting performance appraisal which managed by HR dept; (c)



PT. Semen Padang use Graphic Rating Scale method in support the procedure of its performance appraisal.

The next dimension addressed career management at PT. Semen Padang which involve: (a) employees at PT. Semen Padang expect getting promotion in their future career, in addition to that they believe that through improve their skill and knowledge it can help them in reach their expectation for future career; (b) PT. Semen Padang already focused to forming career path of its employees where career path' pattern should be linear.

Moreover, as the central question in this research, employees at PT. Semen Padang strongly believe that performance appraisal as a tool in advance and develop their career.

The final dimension is about role in career development which involve: (a) supervisor, subordinate, and institution become parties who determined career successfulness of employee at PT. Semen Padang; (b) employees at PT. Semen Padang believes role of supervisor, subordinate, and institution become indicator determined their career successfulness, therefore relationship between supervisor, subordinate and institutions influence the relationship between performance appraisal and career development. Moreover, employees recommended some recommendations for improving the performance appraisal process which involve: (a) making the process more transparent; (b) not subjective (c) creating a process with more of a

skill-orientation and emphasizing professional development, and provide a new system "Job Grading" as soon as possible.

#### **5.4.1 Performance Appraisal' Design**

##### **a. The Purpose of Performance Appraisal**

The next section of this chapter addresses the first question: What is the purpose for the performance appraisal process involving at PT. Semen Padang? The research participants both raters and employees offered insights into the goals and purposes of their performance appraisal processes from the perspectives of their institution. The responses of all participants indicate that PT. Semen Padang already has clear direction toward the reason why it conducts performance appraisal to its employees. Evidence of these themes is introduced through examples and explanations from the narratives of the study participants. All participants almost give same perspectives which make each of these issues is germane to understanding how performance appraisal impacts the career development. In reference to one of participant responses, Mr. Syafril Aras shared

"...the stated purpose of performance appraisal at PT. Semen Padang is for deciding whether an employee proper to advance into higher position/occupation or not, also provided as the basis of salary decision for the employees".

Similarly, Mrs. Samsuarni shared performance appraisal is provided at PT Semen Padang for determining whether an employee proper to get higher position or not. She stated,

"...the purpose of performance appraisal at PT. Semen Padang is to assess the achievement of employees, look for the degree of employee's knowledge and then use it as the indicator to determine whether related employee proper to get higher position or not".



- **Conclusion**

All participants stated that the purpose of performance appraisal at PT. Semen Padang is for deciding promotion. Therefore, researcher concludes that the purpose of doing performance appraisal at PT. Semen Padang is for promotional decision.

- b. Performance Appraisal' Schedule**

In this term, participants asked two questions: (a) how many time performance appraisal conducted a year? (b) Do the employees know when they appraised? Through both questions, described that PT. Semen Padang conduct its performance appraisal biannually and monthly.

In reference, Mr. Syafril Aras as supervisor at HR dept shared,

“...performance appraisal done in two kind of schedules. First, every month “*bulanan*”; Second, two times a year “*6 bulanan*”; for the period Jan-Jun, appraised on July and the process conducted on October, for the period Jul-Dec, appraised on Jan and the process conducted on April”.

In the perspective of employee, Mr. Suhermon answer, performance appraisal in his company is done every month and two times a year, he stated,

“...there is two ways in appraise us, first, every month “*bulanan*”. Second, two times a year “*6 bulanan*”.

In addition to that, participants' responds indicate that the employees at PT. Semen Padang don't know exactly about the right schedule when they will be appraised by their supervisor, they just know the schedule of performance appraisal at their company done biannually and monthly, but they don't know when they appraised.

Mr. Afdal from HR dept said,

“...I do not know when my supervisor appraises me, but I know the period. I think, the procedure was set like that in order to develop the fair and objective assessment”.

Similarly, Mr. Indra Nofiandi shared,

“...I do not know when my supervisor appraises me. It already becomes procedure at PT. Semen Padang.

Argue with both statements above, one of employee stated that sometimes she know the time when she is appraised. She mentioned that her supervisor quite flexible in term of doing appraisal.

• **Conclusion**

Belong to the description above; conclude that in doing its performance appraisal, PT. Semen Padang doing it periodically, both biannually and monthly.

**c. The Appraiser**

The next question addressed the question whether employees know exactly who is the party appraised them in order to know what person are chosen by PT. Semen Padang in appraise employees’ performance. All of employees’ participants stated that they know exactly who is appraised them. Moreover, they stated that they appraised by two person, first by their direct supervisor and second by indirect supervisor. In reference, the following table shows the respond of all employees:

Table 5.8. Employees’ Respond about who is appraise them

Participants	Responds
1	“Yes, I know who is assessing me: direct supervisor”.
2	“Yes, I know”.
3	“Yes, I know. There are two parties who appraise me; direct supervisor and indirect supervisor”.
4	“Yes, I know that is direct supervisor”.
5	“Yes, I know”.
6	“Yes, I know. There are two parties who appraise me; direct supervisor and indirect supervisor”.

Source: Primary Data 2011



Dealing with answers from all employees, raters also stated that the employees exactly know who the person appraised them.

Mr. Syafril Aras stated,

“...They know exactly, that is direct supervisor *“atasan langsung”*”.

The rest four raters also stated that “Yes, they know”.

#### • Conclusion

Researcher concludes that in conduct performance appraisal to employees, PT. Semen Padang use top-down approach by using multi-raters; both direct and indirect supervisors appraise employee' performance. In addition to that, PT. Semen Padang quite flexible in letting employees knows who the parties that appraise them are.

#### d. Performance Feedback

There are two questions addressed for answer this item; (a) do the result of performance appraisal informed to the employees; (b) do the employees have an opportunity to confirms the result of their performance appraisal. Toward the answer of both questions, participants give opposite answers. Participants stated that, employees didn't informed about the result of their performance appraisal, but employees have opportunity to confirming the result of their performance appraisal.

By looking to the answer of participants, describe at employees at PT. Semen Padang didn't informed about their performance appraisal' result, but they will know it indirectly form the further actions what done by their supervisor, such as increasing of their incentive & salary or they promote to higher position. Through that action they will know it, therefore participants stated that employees have opportunity to

confirming the result of their performance appraisal, even they also stated that employees didn't informed about the result of their performance appraisal.

In reference, Mr. Khatul Adhadanur shared,

"...Employee not informed about it. They will know indirectly when their salary/incentives get increase".

Similarly, Mr. Ridwan Syah also shared,

"...Employee not informed about it. They just know indirectly from the change amount of their salary/incentives".

In perspective of employees, all employees stated that they didn't informed about their performance appraisal' result, but they have opportunity to confirming it.

Mr. Anri Hayanto shared,

"...My supervisor did not inform me about the result that is the secret one. Human Resource dept know about it".

Additionally, when asked about his opportunity in confirming his performance appraisal' result, he shared

"...Yes, I have opportunity. I can ask directly to my supervisor".

Supported the answer of Mr. Anri and responds from all rates, Mr. Andri Nofiandi stated that,

"...My supervisor did not inform me about the result, but I will know it indirectly from the change of my salary".

He add,

"...Yes, I have opportunity to discuss it, I just ask directly to my supervisor. But, this condition is very seldom occurred".

#### • Conclusion

In term of giving feedback toward performance appraisal' result, there are two key points are got: (1) PT. Semen Padang did not inform the result of performance



appraisal' result to its employees, and (2) PT. Semen Padang give employees opportunities to informing their PA' result belong to further actions that they get from their supervisor after they were appraised. Therefore, researcher concludes that, in term of giving feedback to employees PT. Semen Padang has been applied it but not apply it well.

#### **5.4.2 Performance Appraisal' Process**

##### **a. Performance Appraisal meeting with Job Description**

Performance appraisal at PT. Semen Padang already conducted with the actual job description which is given to each employee. Dealing with the theory, well performance appraisal is follow three steps of performance appraisal, these are: define the job, appraise performance, and provide feedback. In practice PT. Semen Padang already define job for each employee. In reference, Mr. Ridwan Syah shared

“...job descriptions at PT. Semen Padang have been clear compare to the last decade”.

Mr. Suhermon, as the employees at Distrans dept also shared,

‘... Yeah, job description in this company already clear, it arranged by related supervisor of each employee.’

As the continuing to the next step, that's appraising performance PT. Semen Padang also has been done it. Still refers to the Mr. Ridwan Syah' and Mr. Suhermon' answers, they said,

“...performance appraisal have been conducted belong to the job description of each employees.”

- **Conclusion**

PT. Semen Padang has been conduct well performance appraisal in term of how to assess its employee objectively refers to their own job description. Specifically, description above describe that PT. Semen Padang already follow the step required in conducting well performance appraisal.

- b. Performance Appraisal' Procedure & Method: Graphic Rating Scale**

In theory given there are several method used by a company in dealing with well performance appraisal. By looking to several indicators use in order to know what method used by PT. Semen Padang, researcher identify that PT. Semen Padang use Graphic Rating Scale method. There are several questions becoming indicators which indicate what method is followed by PT. Semen Padang. Table 5.9 below describes to what extent PT. Semen Padang adopt graphic rating scale as performance appraisal method used in appraise employees' performance:

Table 5.9.PA' Method Used by PT. Semen Padang

Indicators Used	PA' Methods
Indicator of assessment	Graphic Rating Scale
Form of PA	Graphic Rating Scale

Source: Primary data 2011

In reference, one of participants as rater, Mr. Freddo Syukri shared,

“...At PT. Semen Padang there are two kind of appraisal, these are “bulanan” and “6 bulanan”. First, for “bulanan” indicator that is assessed are creativity, affectivity, and obedience. Second for “6 bulanan” the indicator of assessment such as discipline and obedience”.

Similarly, Mr. Indra Nofiandi also shared,



“...the indicator used in performance appraisal at PT. Semen Padang called as “KEK” (*Kreatifitas, Effectivitas, Kepatuhan*)→ Creativity, Effectiveness, and obedience”.

Belong to the form of performance appraisal, PT. Semen Padang already has it. The form of performance appraisal at PT. Semen Padang provided at Appendix 6. The form also show the indicator used in the appraisal process that match with statements of some participants.

- **Conclusion**

Researcher concludes that PT. Semen Padang already conduct its performance appraisal belong to the approaches used in performance appraisal, that is using Graphic Rating Scale method. Additionally, the procedure in conducting performance appraisal process already set up clearly in this company, where all of departments follow the same procedure and managed by human resource department.

### **5.4.3 Career Management at PT. Semen Padang**

- a. Career Planning**

- 1. Expectation for future career

Question that addressed: What is your expectation toward your future career? This question is just given to employees, because researcher tends to get an answer toward the expectation of employee at PT. Semen Padang toward their future career. All of employee stated that they want to get promotion in order to advance their career. They really want to get higher position compare to their current position. Table below show how responds from all employees is belong to their willingness to get promotion.

Table 5.10. Employees' Expectation for Their Future Career

Participants	Expectation
1	Get promotion and place at higher position.
2	Get promotion.
3	Get promotion, given training related to job.
4	Get promotion as soon as possible.
5	Get promotion.
6	Get promotion.

Source: Primary data 2011

2. Effort in Advance Career

Continually, this part shows the efforts of both supervisor and employee at PT. Semen Padang to reach career' future expectation. There are some efforts which doing by supervisor and employees at PT. Semen Padang in advance employees' career which also indicate the indicator of career' successfulness itself.

In reference Mrs. Marlina as one of employee shared her perspective in term of the effort in advance her career and what indicator she believe will become determining of career' successfulness,

“...I will follow given training and improve performance; I will also improve my skills and knowledge. according to me indicators of career' successfulness such as the ability to achieve the objective of a job, good relationship with the supervisor, and has a god skills & attitude”.

Additionally, still in the perspective of employee' side Mr. Suhermon stated,

“...I will improve my skills and knowledge which is conducted through a discussion with senior in order to advance my career”.

When I asked about the indicator which involving in the career' successfulness, Suhermon add,

“...Discipline, diligent, honest, and build a good communication with the supervisor are becoming the indicator of career' successfulness”.



Belong to the answers of some employees, is described how the employees stated their perspective toward the indicator which involving in determining career' successfulness and also their effort in advance their career.

Mr. Hermawan Ardiyanto in the side of raters' perspective toward this indicator shared,

"...According to me motivation, willingness to improve skills, and have good relationship among the member of organizations becoming indicator in determining career' successfulness. For the effort in helping his employees in advance their career is giving facilities for improving skill development through give training and proposes the promotion for proper employees".

Mr. Freddo Syukri also stated,

"...I will give motivation for self development, such as through give training or continuing employees' education in order to increase their abilities and skills. I believe IQ→ knowledge, skills, and good attitude become the major indicator that involving in the employees' career successfulness".

- **Conclusion**

Researcher concludes that both supervisors and employees at PT. Semen Padang have been concern with career planning through the indicators used.

- b. Career Path**

When researcher go to the question about the pattern of career' path at PT. Semen Padang, most participants stated that the career' path pattern at PT. Semen Padang should be linear, but in certain condition it can be flexible depends on what condition occurred. The answer of participants indicate that PT. Semen Padang

already take serious attention toward career' path of each employees. Confirm with related theory, PT. Semen Padang already has system provided for career path itself.

Mr. Indra Nofiandi shared,

“...There are two systems of career path at PT. Semen Padang. First, functional or structural system→ career path should be linear; belongs to the organization' structure. Second, staffing system→ not have to linear, it's depends on related unit of work.”

The answer given by one of participant above give us information which stated that PT. Semen Padang has two common systems used in engaged with career path. That's two systems are: (1) functional or structural system; and (2) staffing system. Actually researcher not really sure whether PT. Semen Padang applied this system exactly or not because from 11 participants only one participants who shared about this system. But although there is no another participants who shared about system have by PT. Semen Padang dealing with career path, but some answer of some participants actually also support the answer of Mr. Indra Nofiandi through look for the definition of each system.

In reference Mrs. Marlina shared,

“...Career pattern at PT. Semen Padang should be linear. But in certain condition there is employee who gets promotion and jump to the higher position (if there is special consideration from the supervisor toward the related employee).”

#### • Conclusion

In general, researcher assume that career path' pattern at PT. Semen Padang should be linear because 9 from 11 participants stated that career path' pattern in their company should be linear. Therefore, researcher conclude that PT. Semen Padang



already concern with the concept of career path which become one of element in the career management, PT. Semen Padang using a linear pattern for career path' system.

#### **5.4.4 Impact of Performance Appraisal to Career Development**

All participants stated that there is strong relationship between performance appraisals with career development. Participants strongly believe that conducting performance appraisal in PT. Semen Padang bring a positive impact to their career, if their performance is good. Although the participants almost present differing perspectives, each of these issues is germane to understanding how performance appraisal impacts the career development for the employees at PT. Semen Padang.

In reference, Mr. Freddo Syukri stated,

“...There is strong relationship between them. If the performance of an employee is not good it will influence his/her position. He/she will difficult to get promotion”.

Another participant, Mr. Ridwan Syah shared,

“...There is strong relationship. If the result of performance appraisal of an employee is good, so he/she will get reward as the indication his/her salary will increase and he/she will get promotion.”

In the employees' perspective also propose similar responds toward this relationship, such as the statement from Mrs. Marlina, she shared,

“...There is relationship between performance appraisal and career development. The relationship of them is if an employee has good performance, so he/she will easy to get higher position/promotion.”

Another perspective of one employee but still confirm same meaning as shared by Mr. Afdal, he said,

“...There is relationship between them. Performance appraisal is becomes one factor that influence the promotion for an employee, where promotion is becomes part of career development.”

Through the respond of each participant we can see the degree of employees' trust toward the role of performance appraisal in influencing their career development. Figure 5.1 shows how performance appraisal impact career development from the theoretical concept and from the actual practice occurred at PT. Semen Padang. The following figure concludes the analysis of this point:

Figure 5.1.Role of PA in Influence Career Development

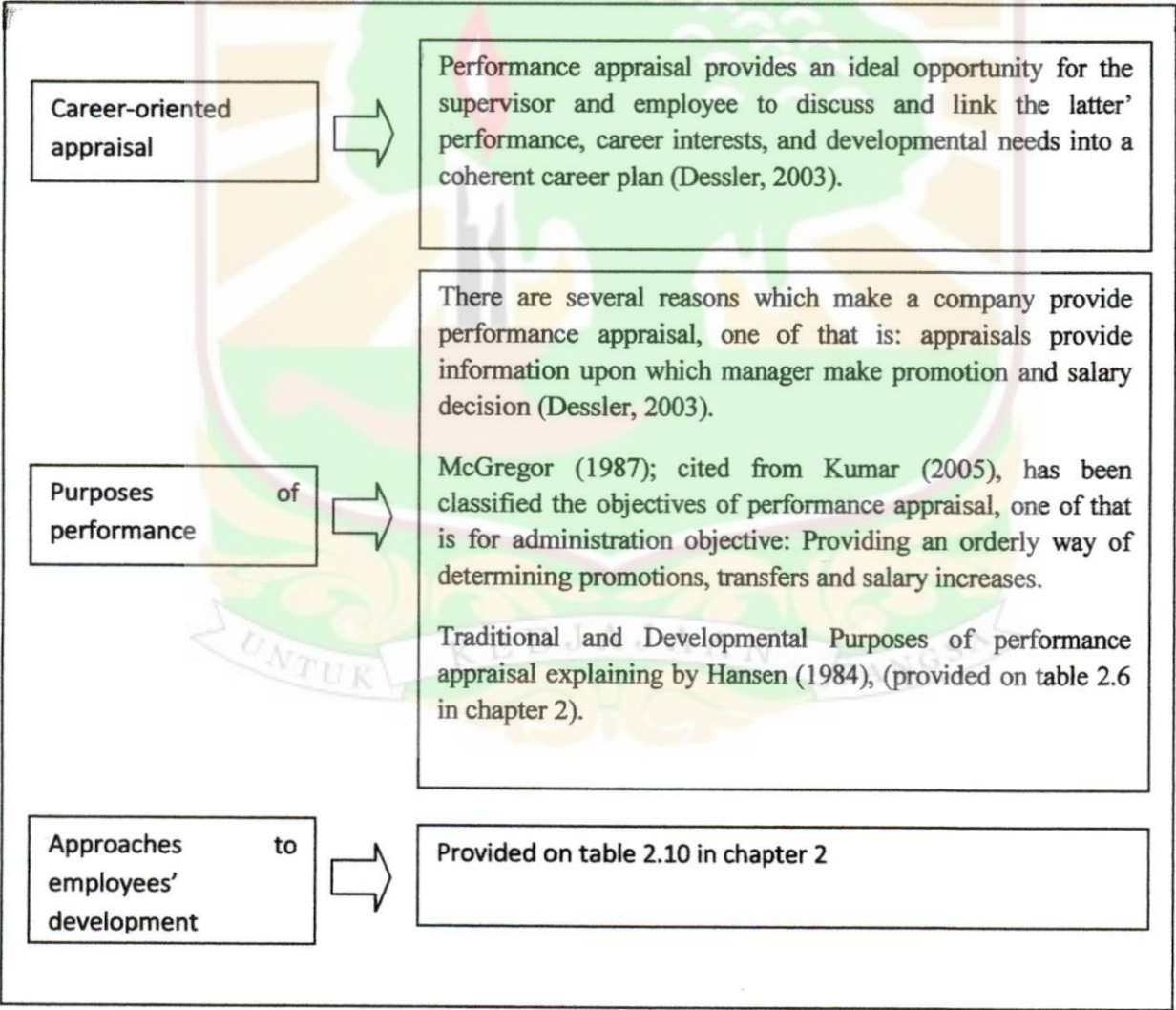
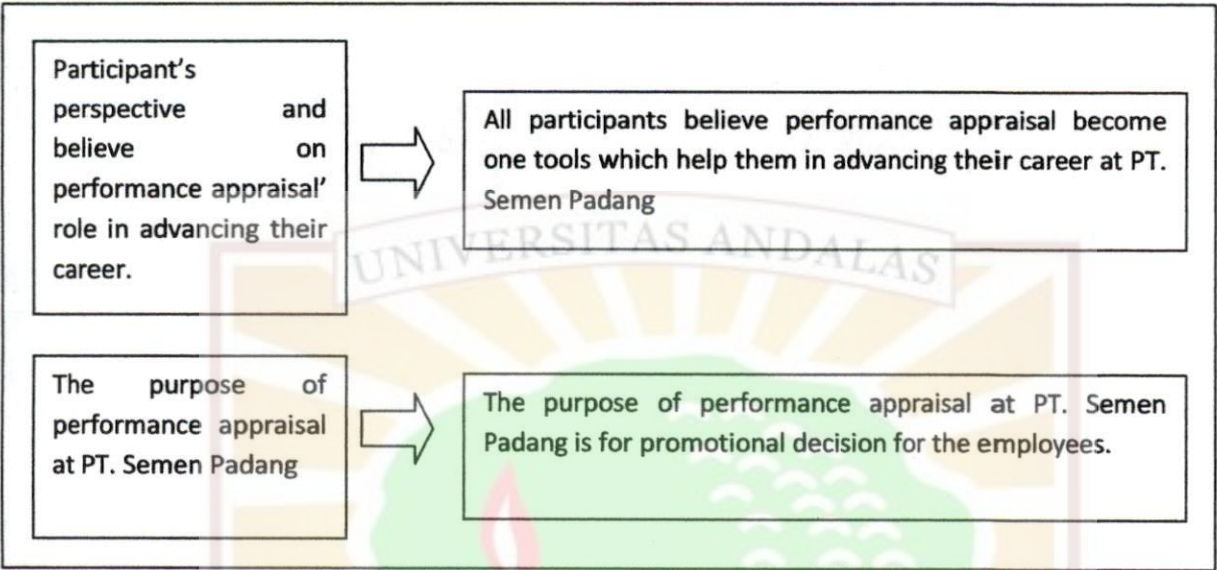




Figure 5.2.Role of PA in Influence Career Development in PT. Semen Padang  
(based on interview result)



Both figures above describe to what extent performance appraisal impact career development of employees at PT. Semen Padang. Therefore, there is relationship between both variables, where participants believe that performance appraisal become one of tool in develop their career in their company.

5.4.5 Role in Career Development

a. Party who determine the successfulness of employees' career

Most participants strongly believe that between supervisor, subordinate (individual), and institution have a role in determining career's successfulness.

In reference, Mr. Khatul Adhadanur stated,

“...All of parties has role in determining careers' successfulness. Supervisors: give attention to employees whether the employees know their job well or not;

Institution: give facilitation, such as good infrastructure, comfortable room in order to build good working condition; Individual: skills and ability in doing job”.

Additional reference, Mr. Freddo Syukri said,

“...All of parties have a role. Supervisors: have authority to assess their employees; Institution: provide a performance appraisal based on competencies; Individual: if an individual want his/her career get increase, so he/she have to work maximally”.

Mrs. Samsuarni as the participants from the employees’ side, shared,

“...All of parties related each other. Even an employee is a clever and good one but if he/she unable to build good relationship with his/her supervisor, it’s can not guarantee his/her career will become good”.

Responds of participants shows how the supervisor and employees at PT. Semen Padang believe that between supervisor, individual, and institution has a role in determining career’ successfulness and they connected each other.

#### **b. Effort for achieving good PA’ Result**

Related question already given to the participants, most of participants from the employees’ side stated that they will work as well as possible to achieve good performance appraisal. “Work as well as possible to achieve good performance appraisal” meaning that employee really want to achieve good performance where the indication will come to the positive impact of their career. In this situation, supervisors should help their subordinates to achieve their goal performance. Most of participants from raters’ side shared that they will give such kind of motivation, advice the employee, and take a discussion with the employees in term of their work problem for helping their employee to achieve good performance appraisal. This



indicates that supervisors at PT. Semen Padang care about career of their employees which provided by help them in achieving good performance appraisal.

In addition to that, in the previous explanation already mentioned that the stated purpose of performance appraisal at PT. Semen Padang exactly related to the promotion→career, if employees achieve good performance appraisal meaning that they will get promotion and it will be good for their career and with the high awareness supervisor at PT. Semen Padang drive such kind of effort for helping their employees. Therefore, researcher stated supervisors at PT. Semen Padang care about career of their employees.

Supporting the explanation above Mr. Syafril Aras stated,

“...In helping my employees achieve good performance appraisal, I will give motivation, training, and advise them to have strong commitment toward their job”.

Different answer shared by Mr. Hermawan Ardiyanto, but still in the same indications,

“...First, I will build ideal working condition for the purpose make employee comfort in doing their job. Second, build a good work relationship”..

Descriptions above describe that, although both supervisors and employees have their own perspective toward the indicators involving in employees' career successfulness but in fact the indication from all of their answers belong to the fix statement which describes skills and attitude is becoming major indicators that determine the successfulness of employees' career at PT. Semen Padang.

Moreover, relate it to the indicators used in assess performance at PT. Semen Padang, which also belongs to skill and attitude, it show that supervisor, individual, and institution influence the relationship between performance appraisal and career development at PT. Semen Padang.

In addition to that, regarding to the participants believe that skills and attitude become indicators involving in career' successfulness, and it also confirm with the major efforts which proposed by participants in advancing career, this directly describe that how the employees really want to improve their skill and knowledge and followed by their good attitude because they already know, that are major indicators for achieving career' successfulness and as the indicators used in assessing performance.

Additionally, the degree of supervisor' care for helping their employees and employees' awareness to improve their skill, knowledge, and attitude will also help employees to achieve good performance appraisal. Finally, relationship of that will affect to the career' development of employees at PT. Semen Padang because in the previous explanation already elaborate that the good performance appraisal of an employee the good career of that's employee.

Institution is become facilitator for supervisors and employees in dealing with their authority and responsibility in a company include how they achieve their career' successfulness Therefore, institution link with supervisor and individual in influencing the relationship between performance appraisal and career development.



In reference Mr. Khatul Adhadanur stated,

“...The role of institution in helping and advance employees’ career is give facilitation, such as good infrastructure, comfortable room in order to build good working condition”.

If a company/institution unable to provide good working condition and useful information for its employee it will affect the performance of the employees. In theory also given the briefly role of each supervisor, individual, and institution in develop employees’ career.

- **Conclusion**

Researcher concludes that individual, supervisor, and institution (in this research is PT. Semen Padang) has role in developing employees’ career and related each other. Moreover, their relationship also influence and may sharpening the relationship between performance appraisal and career development.

#### **5.4.6 Participants Recommendations for Improving the Appraisal Process**

The next question asked: What recommendations do these participants offer for ways to improve or otherwise alter the performance appraisal process? The study participants offered suggestions for improving or otherwise altering the performance appraisal process. While not comprehensive, the participants offered the following four major suggestions for improving the performance appraisal process: (a) making the process more transparent; (b) not subjective; (c) creating a process with more of a skill-orientation; and (d) provide e new system “Job Grading” as soon as possible.

Belongs to the participants willingness so that PT. Semen Padang engaged with process more transparent and not subjective, it shows us how the participants not really satisfy yet with conducting performance appraisal in their company. They want process of performance appraisal is more open and objective. More objective it's relate to the third suggestion proposed by participants that is willing PT. Semen Padang creating a process with a more of skill-orientation.

Mr. Freddo Syukri stated,

“...I want for the next PT. Semen Padang provides performance appraisal based on competencies.”

The degree of participants' willingness for more objective performance appraisal process described through the same answers of two employees.

Mrs. Samsuarni and Mr. Afdal shared,

“...Supervisor more objective than ever, not subjective.”

Regarding with participants' willingness for more transparent performance appraisal at PT. Semen Padang, Mr. Suhermon shared,

“...The process should be clear and transparent. After the result is coming up, I expect the supervisor call employee one by one to discuss about that's result.”

Similarly, Mrs. Marlina also shared,

“...The process should be more transparent.”

The shared of some participant show how the employees at PT. Semen Padang really want the process of performance appraisal in their company is arranged well than before.



- *Job Grading System*

Mr. Indra Nofiandi shared,

“...I expect supervisor more objective than ever, not subjective and hope a new system “Job Grading” is applied as soon as possible.”

The expectation of Mr. Indra above also meets with the answer from Mr. Syafril Aras as supervisor at HR Dept.

He stated,

“...I hope Job Grading system is applied as soon as possible. Job grading is appraise employees’ performance based on how many job run by that’s related employees.”

The recommendation of both participants occur a terminology of performance appraisal at PT. Semen Padang, that is “Job Grading” system which is told by participants as a new system at PT. Semen Padang regarding with the process of performance appraisal, but this system not applied yet. Through the explanation one of participant, Job Grading system is supervisor appraise employees’ performance based on how many job faced by that’s employee.

If PT. Semen Padang provides this system, it will minimize subjectivity, the process will be more transparent, and appraising base competencies will be created indirectly at PT. Semen Padang. Minimize subjectivity and more transparent; if PT. Semen Padang assess its employees’ performance base on how many job is faced by each employee it will be more fair because there is a standard for assess the performance, there is no indication for supervisor to appraise subjectively because each employee know exactly how many job they have, also they also know how

many job run by their peers. Employees can compare by themselves regarding with appraisal that will conducted to them.

Appraising base competencies; how many jobs given to an employee it depend on the ability of employee itself. Supervisors will not give more jobs to an employee if they not trust yet about the competencies of related employee. Meaning that how many job faced by an employee describe the degree competencies of that's employee. Therefore, Job Grading system can created the appraisal base competencies and it will more fair for employees also it will drive their motivation to work as well as possible.

- **Conclusion**

Researcher concludes that PT. Semen Padang not success yet in develop performance appraisal system which meeting with employees' wants and needs. Moreover, employees' satisfaction and feeling comfortable toward the practice of performance appraisal are so important in building effective performance appraisal in an organization.

## **5.5 Overall Summary of Analysis**

The supervisors and employees at PT. Semen Padang who participate in this research introduce from their roles and experiences with performance appraisal. The perspectives and share of all participants have been describes view of performance appraisal' system at PT. Semen Padang.

Finally, researcher summarizes the analysis of this research as follow:

First, performance appraisal' design at PT. Semen Padang involve: (a) the stated purpose of performance appraisal believed as a tool to decide a promotion; (b)



performance appraisal conduct for two types of schedules, these are biannually and monthly; (c) PT. Semen Padang use top-down approach as multi-raters techniques in appraise employees' performance, which is use both direct and indirect supervisor; (d) in giving feedback, PT. Semen Padang not transparent in term of informing performance appraisal' result to the employee, meanwhile there is opportunity for employee to confirming their performance appraisal' result.

Second, performance appraisal' process at PT. Semen Padang involve: (a) performance appraisal meeting with job description; (b) PT. Semen Padang have clear direction in conducting performance appraisal which managed by HR dept; (c) PT. Semen Padang use Graphic Rating Scale method in support the procedure of its performance appraisal.

Third, career management at PT. Semen Padang involve: (a) employees at PT. Semen Padang expect getting promotion in their future career, in addition to that they believe that through improve their skill and knowledge it can help them in reach their expectation for future career; (b) PT. Semen Padang already focused to forming career path of its employees where career path should be linear at PT. Semen Padang.

Fourth, employees at PT. Semen Padang strongly believe that performance appraisal as a tool in advance and develop their career.

Fifth, role in career development involve: (a) supervisor, subordinate, and institution become parties who determined career successfulness of employee at PT. Semen Padang; (b) employees at PT. Semen Padang believes role of supervisor,

subordinate, and institution become indicator determined their career successfulness, therefore relationship between supervisor, subordinate and institutions influence the relationship between performance appraisal and career development.

Finally, employees recommended some recommendations for improving the performance appraisal process which involve: (a) making the process more transparent; (b) not subjective (c) creating a process with more of a skill-orientation and emphasizing professional development, and provide e new system “Job Grading” as soon as possible.

### **5.6 Implications of the Research**

This research is proposed to know mechanism of performance appraisal is followed by PT. Semen Padang and employees perceive toward the role of performance appraisal in influencing their career. Researcher expect that through this research reader will get a brief describing toward mechanism adopted by PT. Semen Padang and also know to what extent the employees at PT. Semen Padang believe performance appraisal will influence their career.

This research can be useful for PT. Semen Padang in reviewing the process of its performance appraisal. There are some implications for PT. Semen Padang regarding with performance appraisal’ system has been adopted by this company belong to the finding of this research.

First, PT. Semen Padang has been conducted its performance appraisal belong to the related theory. However, there are some findings which indicate that PT. Semen



Padang not really conduct its performance appraisal well in term of giving feedback to its employees. As explained in literature review, performance feedback is a part of performance appraisal process. It's necessary for organization to giving feedback to employees after they were appraised. PT. Semen Padang should improve and design well performance feedback which meeting with the need of its employees. Giving feedback not just telling about give reward and punishment toward the current performance of employees, moreover performance feedback address the opportunity for employees to know exactly about their past performance in order to motivate them to work well in the future. By letting employees know about their performance appraisal' result it will increase their awareness and willingness to work well and improve their performance.

Second, the finding of this research indicates that PT. Semen Padang use Graphic Rating Scale method as approach of conducting performance appraisal. Employees are assessed by some indicators which provided in a form of performance appraisal. The supervisor fill that's form and rate the scores are achieved by employees in order to measure the performance of employee. Researcher suggests that it's better for PT. Semen Padang to combine the use of graphic rating scale method with 360-degree feedback. As explained by Dessler (2008), in 360-degree feedback system, employees' behaviors and skills are evaluated not only by subordinates but by peers, customers, their bosses, and themselves. The raters complete a questionnaire asking them to rate the person on a number of different dimensions. By using 360-degree feedback, PT. Semen Padang will get more significant result of actual performance of

related employee; it will help PT. Semen Padang in taking appropriate action toward the result of employees' performance. If PT. Semen Padang able to taking appropriate action (meet with what exactly the weaknesses of related employees) it will improve employees' performance in future because they get what they need actually regarding with their strengths and weaknesses, finally it will improve company' performance. Additionally, by using 360-degree feedback it's not only giving more significant result but also create the fair performance appraisal practice.

Third, regarding with the expectation of employees who really want to get promotion for advance their career, PT. Semen Padang should more consider about it. As the one of finding in this research which explain performance appraisal at PT. Semen Padang believe as a tool in develop employees' career, it may necessary for PT. Semen Padang to use more tools in develop their employees' career.

Finally, the implication of this research' finding for PT. Semen Padang is about the transparency and subjectivity. Responds of participants indicate that PT. Semen Padang lack of transparency in conducting its performance appraisal. Therefore, PT. Semen Padang should be more transparent in conduct performance appraisal to its employees. By conduct performance appraisal which transparent it will increase employees' motivation to work well and increase their performance because they already know about the procedure of performance appraisal applied to them. But it's not means that PT. Semen Padang has to inform all of information regarding with performance appraisal' process followed because it may impact the degree of employees' creativity and ability in explore their skill and knowledge, they just tend



to improve in the part which they are know will be appraised. Moreover, transparency here means PT. Semen Padang able to bring their employees and fell they are involved in the process and able build their trust along with the performance appraisal applied to them.

Chapter VI will complete this research providing an overall conclusions, limitation, and recommendation for further research.



## **CHAPTER VI**

### **CONCLUSION, LIMITATION AND RECOMMENDATION**

This chapter completes this research providing an overall conclusions, limitation, and recommendation for further research.

#### **6.1 Conclusion of the Research**

The purpose of this research is to investigate how PT. Semen Padang conducts its performance appraisal and how is the impact of performance appraisal toward employee' career development. After doing analysis and explored all of responds from participants finally researcher get finding for two major research question of this research; (1) How does PT. Semen Padang conduct the performance appraisal for its employees? (2) How does the performance appraisal result have impact on employees' career development? Finally, researcher concludes that:

##### **6.1.1 How does PT. Semen Padang conduct the performance appraisal for its employees?**

Through the responds of all participants conclude that PT. Semen Padang has conducted its performance appraisal in clear direction and procedure, but this company not doing performance feedback well and lack of transparency to its employees in conducting performance appraisal. The following table shows clearly the performance appraisal' system of PT. Semen Padang:



Table 6.1.Performance Appraisal System at PT. Semen Padang

Indicator used	Mechanism adopted
<b>1. Performance Appraisal Design:</b>	
a. Stated purpose of PA	As a tool to decide a promotion
b. PA' schedule: (i) frequency; (ii) know when appraised	Biannually and monthly
c. The appraiser: knowing the appraiser	Top-down approach: multi-raters (direct and indirect supervisor)
d. Performance feedback: (i) informing PA' result; (ii) opportunity for confirming PA' result	Doing performance feedback, but not practice it well
<b>2. Performance Appraisal' Process:</b>	
a. Steps in appraising performance: PA meet job-des	Performance appraisal meeting with job description
b. PA' method: (i) procedure of PA; (ii) indicator of assessment	(i) Procedure of PA: Every month HR dept give PA' form to "eselon 1, eselon 2, and eselon 3"→ "eselon 1, eselon 2, eselon 3" fill that's given form→ return it back to HR dept→ HR dept processes it→ HR dept confirm the result to unit of work for each dept→ decide whether the employees proper to get reward: promotion & increase salary.  (ii) Indicator of assessment: (a) monthly: creativity, affectivity, and obedience; (b) biannually: using form available.  (iii) PA' method: Graphic Rating Scale.

Source: Primary Data 2011

6.1.2 How does the performance appraisal result have impact on employees' career development?

After analyze the responds of all participants, concluded that employees at PT. Semen Padang strongly believe that performance appraisal influencing their career. Employees stated that performance appraisal can become one tool in developing their career. They also believe that through conducting performance appraisal at PT.

Semen Padang it helps them for achieve good career in the future. As show at Chapter V, the both figures below show how performance appraisal impact career development from the theoretical concept and from the actual practice occurred at PT. Semen Padang:

Figure 6.1.Role of PA in Influence Career Development

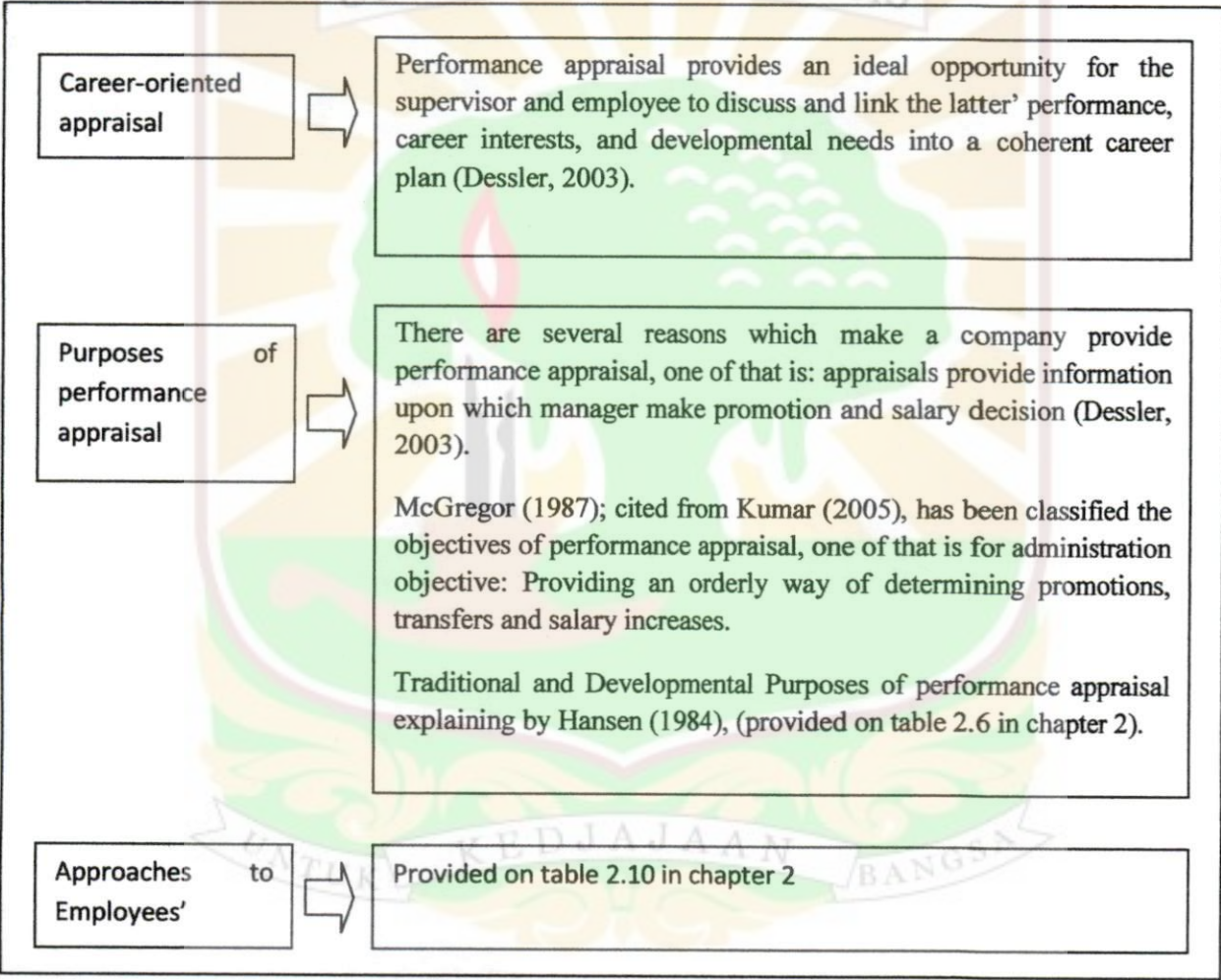
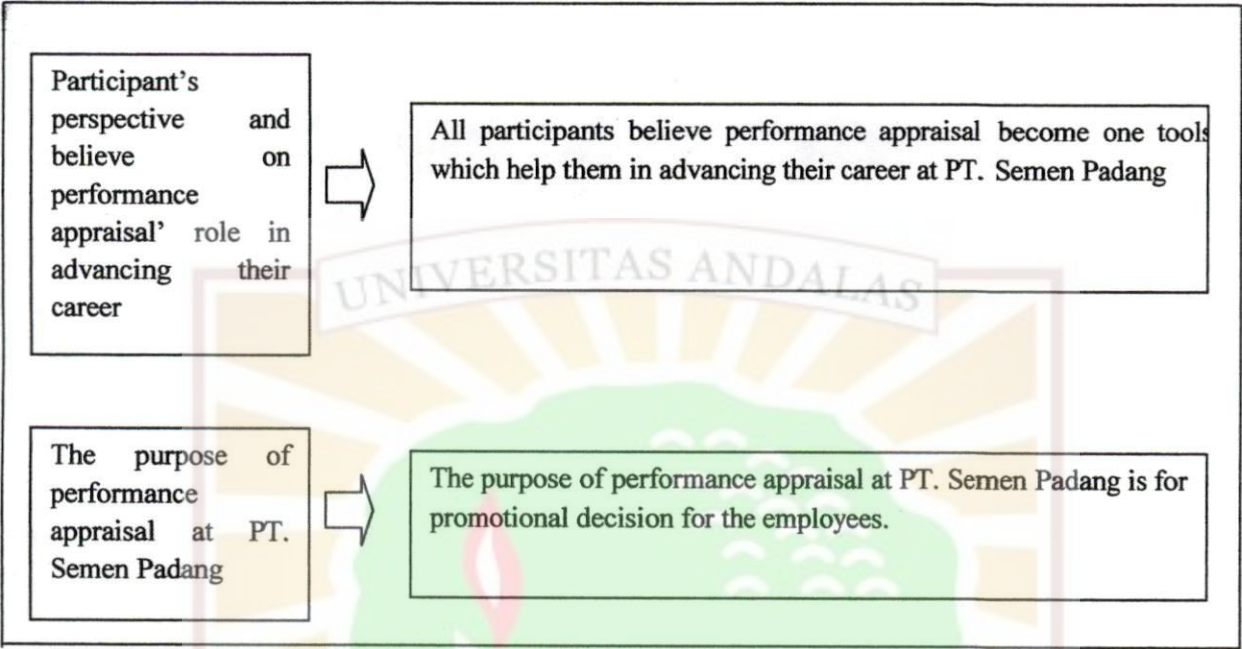




Figure 6.2.Role of PA in Influence Career Development in PT. Semen Padang



Moreover, in order to sharpening the finding of this research which stated that there is strong relationship between performance appraisal and career development, where performance appraisal become one of tool in engaged with career development for employees at PT. Semen Padang, the following table is provided:

Table 6.2      Participants’ believe toward relationship between PA and Career development

Particip ants	Responds	
	Raters	Employees
1	There is relationship between both of them. For example, in deciding whether an employee gets promotion or not it look from the result of his/her performance appraisal.	There is relationship between performance appraisal and career development. The relationship → if the result of performance appraisal of an employee is good, so the supervisor will consider a promotion for that's employee.
2	There is strong relationship between them. If the performance of an employee is not good it will influence his/her position. He/she will difficult to get promotion.	There is positive relationship between performance appraisal and career development.
3	There is positive relationship between performance appraisal and career development. The good the result of performance appraisal of an employee, the good the career of him/her.	There is relationship between them. Performance appraisal is become one factor that influence the promotion for an employee → career development.
4	There is relationship. If an employee has a nice/good performance, so it will help him/her to get promotion and get higher position.	There is relationship between them. The relationship → if an employee has good performance, so he/she will easy to get higher position/promotion.
5	There is strong relationship. If the result of performance appraisal of an employee is good, so he/she will get reward as the indication his/her salary will increase and he/she will get promotion.	There is relationship between them. The relationship → if an employee has good performance, so he/she will easy to get higher position/promotion
6	-	There is relationship between them. If the performance of an employee is bad, so the career of that's employee will bad also.

Source: Primary Data 2011

Additionally, this research also provides the career management of employees at PT. Semen Padang which identify from the responds of all participants. The following table describes the actual career management occurred at PT. Semen Padang:



Table 6.3.Career Management at PT. Semen Padang

Career Management' element	Career Management at PT. Semen Padang
1. Career Planning:	
a. Expectation for future career	Getting promotion.
b. Effort in advance career	Increase skill, knowledge, and attitude
2. Career Path: the pattern of career path	Should be linear
3. Career Development	Performance appraisal practice become a tool in engaged with career development' program

Source: Primary Data 2011

6.2 Recommendation for PT. Semen Padang

The findings of this research indicates that there are some critical points that should be improve by PT. Semen Padang regarding with performance appraisal' practice conducting by this company. The implication of this research regarding with actual practice occurred at PT. Semen Padang already provided in the previous chapter.

Moreover, there are several recommendations purposes to PT. Semen Padang regarding with related theory available which may become a consideration for this company in preview its performance appraisal that have been conducted before. The following table show that's recommendation belongs to the findings of this research:

Table 6.4.Recommendation for PT. Semen Padang belong to the Theory

Recommendation	Theory
PT. Semen Padang should improve and design well performance feedback which meeting with the need of its employees.  PT. Semen Padang should be more transparent in conduct performance appraisal to its employees.	Dessler (2001) explained that once the expected performance has been defined and employees' performances have been measured, it's necessary to feed that performance information back to the employees so they can correct any deficiencies.
Combine the use of graphic rating scale method with 360-degree feedback.	Dessler (2008) noted that a recent trend in performance appraisals for management development is the use of upward feedback an 360-degree feedback.
PT. Semen Padang need to use more tools in develop their employees' career dealing with their expectation to get promotion for their future career	Dessler (2008) have been note there are four major approaches to employees' career development. These are assessment (include performance appraisal: already applied by this company), formal education, job experience, and interpersonal relationship. PT. Semen Padang can be used the rest three approaches in develop its employees' career development.

Source: Dessler (2001); Dessler (2003); Dessler (2008); Primary Data 2011.



### 6.3 Limitation of the Research

This research aimed to analyze mechanism of performance appraisal at PT. Semen Padang and know employees' perceive toward role of performance appraisal in influencing their career. Through that's purpose, there are three major limitations of this research:

#### a. Sample' limitation

This research just has 11 participants, it makes researcher difficult to come to strong analysis and get a best conclusion toward two research questions. Additionally, this research is case study which just examines one company, so that there is no comparison result with other company in order to get more fundamental result.

#### b. Variable' limitation

This research just uses two variables; performance appraisal and career development in examining the performance appraisal impact to the career development. Meanwhile, there are some others variable which become a tool in influencing career development.

#### c. Methodology' limitation

This research only use qualitative approach is examining the research question through conducting interview.

### 6.4 Recommendation for Further Research

Limitations that exist in this research should be a reference for subsequent research to get the perfection in giving a figure and a wider contribution from the

same research. Some suggestions and recommendations to be developed in further research:

- a. For further research is expected to take a larger sample in order to make the results of research more comprehensive and profound.
- b. Since this research is case study research which just conduct survey and interview at PT. Semen Padang, researcher think in further research can be made more larger and not as a case study but take sample in more one company to get strong finding and references.
- c. Since this research just use two variable, and just use performance appraisal as a tool in influencing career development, for further research it will be better if the variables used more in examining the research questions.
- d. Since this research just uses qualitative research, researcher think combine both qualitative and quantitative method by take larger sample will make the finding and analysis of this research become stronger.



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